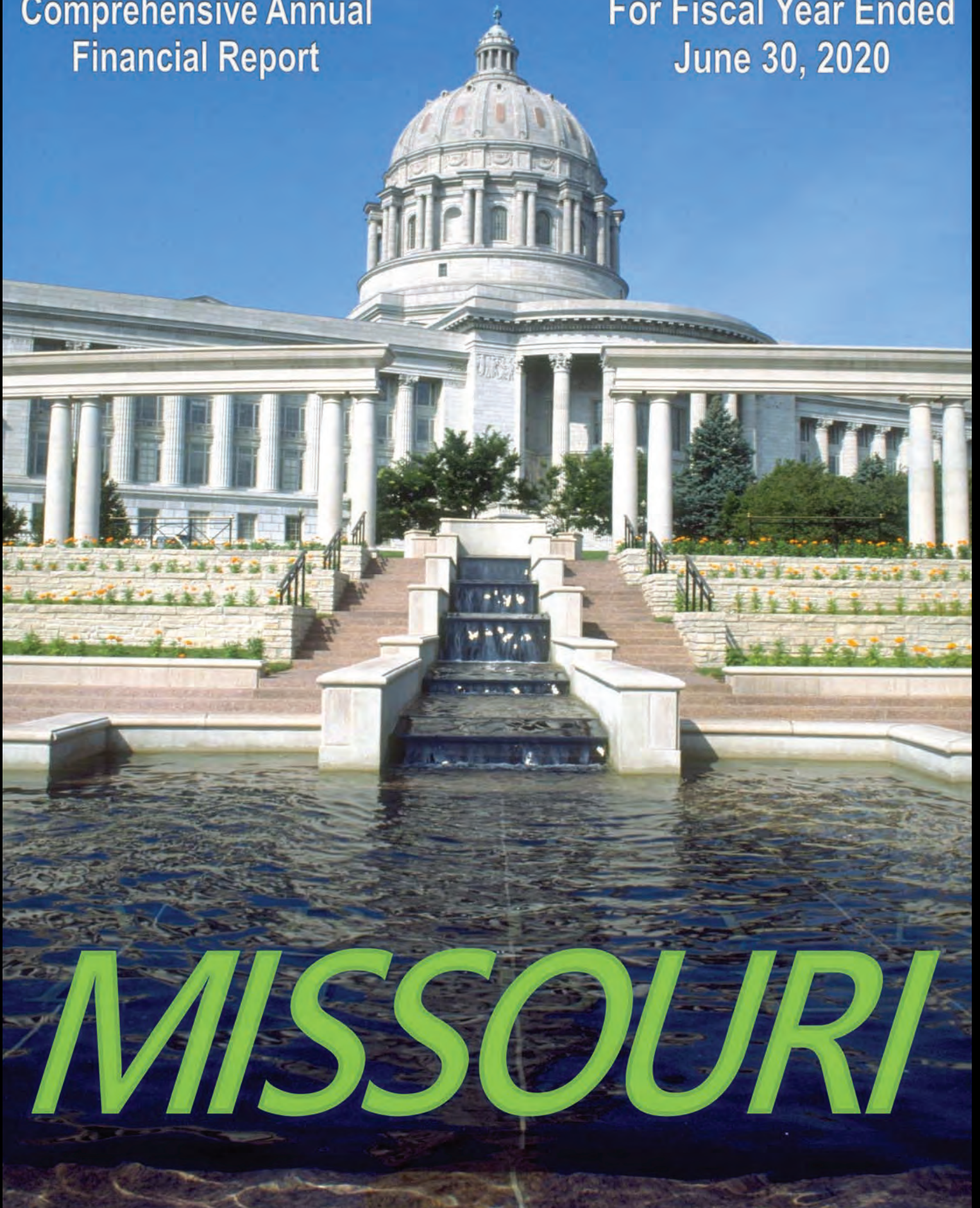


Comprehensive Annual
Financial Report

For Fiscal Year Ended
June 30, 2020



MISSOURI

STATE OF MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Fiscal Year Ended June 30, 2020



Michael L. Parson

Governor

SARAH H. STEELMAN

Commissioner

Office of Administration

STACY NEAL

Director

Division of Accounting

On the Cover:

Veterans Memorial, Jefferson City, Missouri, Record Group 104; Missouri State Archives

This report can be viewed on the Internet at <http://oa.mo.gov/accounting/reports>

STATE OF MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2020

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*The **Introductory Section** includes material to familiarize the reader with the organizational structure of the State, the nature and scope of services the State provides, and a summary of the financial activities of the State and the factors that influence these activities.*

Michael L. Parson
Governor



Sarah Steelman
Commissioner

State of Missouri
OFFICE OF ADMINISTRATION
Division of Accounting
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Post Office Box 809
Jefferson City, Missouri 65102
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Stacy Neal
Director

February 25, 2021

The Honorable Michael L. Parson
The Honorable Members of the Legislature
Citizens of the State of Missouri

In accordance with generally accepted accounting principles, I submit to you the Comprehensive Annual Financial Report (CAFR) of the State of Missouri for the fiscal year ended June 30, 2020. This report was prepared by the Office of Administration, Division of Accounting, whose management is responsible for its contents.

The report is prepared to show the financial position and operating results of the State. The State's internal accounting controls provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposal and the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the resulting benefit. We believe the data presented is accurate in all material respects and that all disclosures necessary to enable the reader to gain a reasonable understanding of the State's financial activities have been included.

An annual audit of the basic financial statements is completed each year by the State Auditor's Office. The State Auditor conducts the audit in accordance with generally accepted government auditing standards, and her opinion has been included in this report. The State Auditor conducts a "Single Audit" of all federal funds in accordance with the Federal Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform guidance).

A narrative introduction, overview, and analysis of the basic financial statements is presented in the *Management's Discussion and Analysis (MD&A)* section of this report. This letter of transmittal is intended to complement MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Auditor's Report.

PROFILE OF THE GOVERNMENT

Missouri was organized as a territory in 1812 and was the second state (after Louisiana) of the Louisiana Purchase to be admitted to the Union. Statehood was granted on August 10, 1821, making Missouri the 24th state. The State encompasses 68,945 square miles.

The State operates under three branches of government: executive, legislative, and judicial. The executive branch consists of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, and Attorney General. The legislative branch consists of 34 members of the Senate and 163 members of the House of Representatives. The judicial branch is a three-tier court system: the Supreme Court, the State's highest court, has statewide jurisdiction; a court of appeals that consists of districts established by the General Assembly; and a system of circuit courts that has original jurisdiction over all cases and matters, civil and criminal.

The State provides a range of services in the areas of agriculture, education, health and social services, transportation systems, public safety, judicial systems, economic development, conservation and natural resources, labor relations, and general administration.

The State operates on a legally adopted budget in order to ensure compliance with legal provisions embodied in the annual appropriated budget passed by the General Assembly and approved by the Governor prior to the beginning of the fiscal year. If appropriations are not sufficient for a fiscal year, supplemental amounts are requested during the next legislative session by the same process that original appropriations are requested. Budgets are established at the program level. Expenditures cannot exceed the individual appropriation amount. The Governor has the authority to reduce the allotments of appropriations in any fund if it appears that the revenue estimate will not be met. Article IV, Section 27 of the Missouri Constitution, amended in 2014, requires the Governor to notify the General Assembly if the Governor reduces allotments when it appears revenues will be less than estimated. This Section then gives the General Assembly the authority to overturn any of the Governor's restrictions with a two-thirds vote, similar to the procedure to overturn a veto. Unexpended appropriations lapse at the end of each fiscal year, unless reappropriated to the following budget fiscal year.

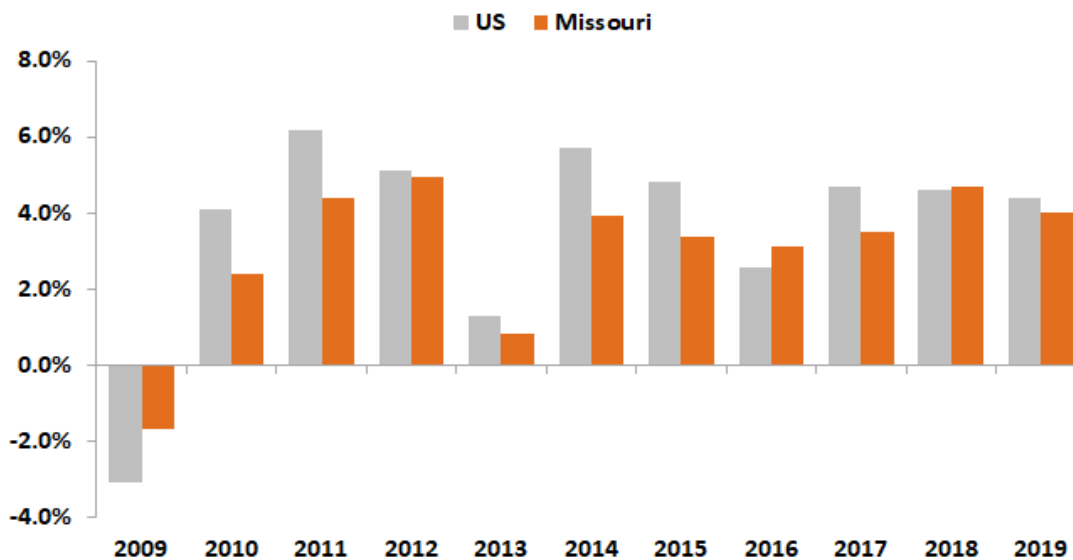
The financial reporting entity of the State includes all of the funds of the primary government as well as component units for which the State is financially accountable. The transmittal letter, MD&A, and the financial statements focus on the primary government and its activities. Although information pertaining to the component units is provided, their separately issued financial statements should be read to obtain a complete overview of their financial position.

ECONOMIC CONDITION AND OUTLOOK

State Economy

Missouri's economy saw its eighth consecutive year of Annual Real GDP growth in 2019. Missouri's GDP was \$290.9 billion in 2019 inflation-adjusted dollars; this is a 2.1% increase over 2018. Missouri's per capita personal income was \$49,589 in 2019, an increase from 2018. The national per capita income is \$56,663. While the State's per capita income is lower than the national average, so is the cost of living. In 2019, Missouri ranked 5th lowest in cost of living for states.

Personal Income Annual Growth Rate

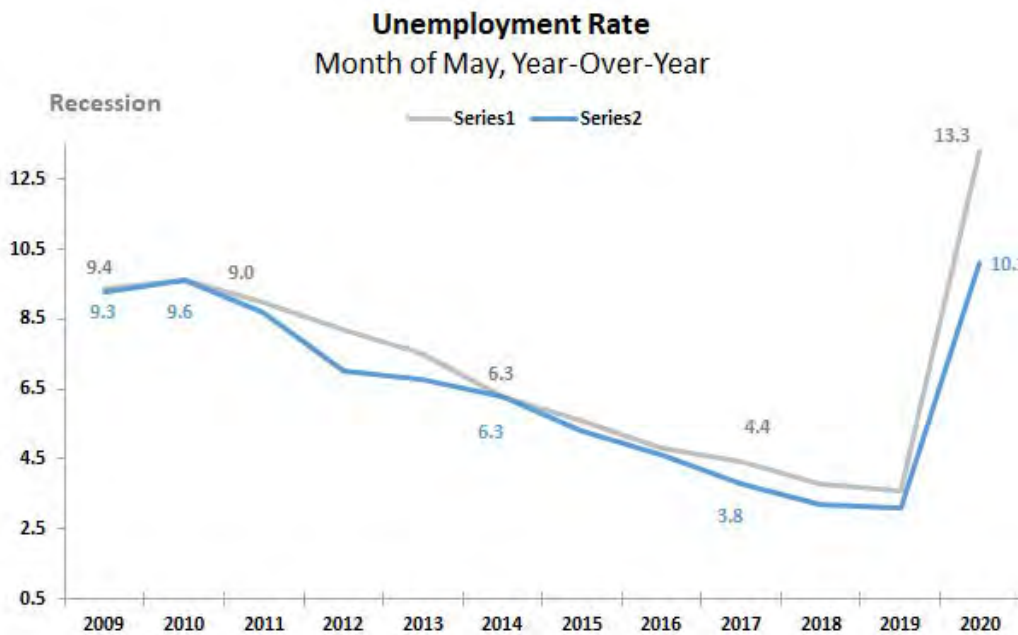


Source: MERIC 2020 Missouri Economic Report

In March 2020, the WHO declared the COVID-19 outbreak a global pandemic, the President of the United States declared a national state of emergency, and the State ordered statewide social distancing measures. On April 6, 2020, the Governor issued a statewide "Stay Home Missouri" order as well as other Executive Orders declaring a state of emergency, closing public and charter schools in the State for the remainder of the academic year, and postponing elections. The "Stay at Home" order provided for social distancing, limitations on social gatherings, cessation of activities for all business not considered "essential" and requiring residents remain home unless engaging in certain "essential activities." On April 28, 2020, the State introduced a plan for the phased reopening of the State's economy. As of June 16, 2020, all statewide health orders were lifted.

The full financial impact of COVID-19 on the State, its economy, and its financial position will continue to change as circumstances and events evolve, but the State expects such impact to be substantial, but difficult to predict due to the dynamic nature of the outbreak. The State believes that it may be some time before it is able to determine the full impact of these events.

In May 2020, Missouri's unemployment rate was 10.1%, representing over 303,000 Missourians out of work, while the nation's unemployment rate was 13.3%, a significant increase from former years due to the COVID-19 pandemic that caused economic downturn, business closures, and layoffs across the nation. Prior to the COVID-19 pandemic, Missouri and the nation were experiencing record low unemployment numbers and a tight labor market.



Source: MERIC 2020 Missouri Economic Report

Long-Term Financial Planning

During the 2014 legislative session, the legislature passed Senate Bill 509 and Senate Bill 496, relating to changes to the State's income tax structure. The legislation reduced the maximum tax rate on personal income and created an income tax deduction for business income as well as increased a personal exemption for individuals that have an adjusted gross income of less than \$20,000. (The federal Tax Cuts and Jobs Act of 2017 eliminated the personal exemption.) The implementation of the tax cut is gradual with a 0.10% decline each calendar year and will go into effect following fiscal years where net general revenue collections grow at least \$150 million. Estimates indicate that the bills will cost at least \$620 million annually once fully in effect, which will occur in fiscal year 2025 at the earliest, due to a phased implementation. General revenue growth for fiscal year 2017 and 2018 triggered the first two income tax reductions in tax year 2018 and 2019. The general revenue growth for 2019 did not trigger a tax reduction for tax year 2020.

The General Assembly passed several tax-related bills during the 2020 legislative session. The General Assembly passed House Bill 1682, which allows taxpayers to deduct contributions into a Long-Term Healthcare savings account and is estimated to reduce general revenue by \$5.4 million annually. The General Assembly also passed Senate Bill 676, which exempts the CARES Act Income Tax Refund from Missouri income tax and creates an income tax exemption for first responders and victims of specific terrorist attacks. This bill is estimated to reduce general revenue by \$36 million during fiscal year 2021 and beginning in fiscal year 2022 may reduce general revenue by \$300 thousand annually. The combined impact to general revenue during fiscal year 2021 estimated to be an approximately \$42 million loss. Once fully implemented, the legislation could reduce general revenue by approximately \$5 million annually.

The State took advantage of low interest rates in 2020 by refunding existing bonds. On March 26, 2020, the Board of Public Buildings of the State of Missouri issued its Special Obligation Refunding Bonds Series A 2020 in the amount of \$38,920,000 to refund Series A 2011 and issued Series B 2020 in the amount of \$172,850,000 to refund Series A 2012 and A 2013 on August 25, 2020. The Series A 2020 refunding saved the State approximately \$2.9 million and Series B 2020 refunding saved the State approximately \$22 million.

Relevant Financial Policies

Article X, Sections 16-24 of the Constitution of Missouri (the “Tax Limitation Amendment”), imposes a limit on the amount of taxes that may be imposed by the General Assembly in any fiscal year. This limit is tied to total state revenues for fiscal year 1981, as defined in the Tax Limitation Amendment and adjusted annually, in accordance with the formula set forth in the amendment which is tied to increases in the personal income of Missouri for certain designated periods. If the revenue limit is exceeded by one percent or more in any fiscal year the excess revenue will be refunded pro-rata, based on the liability reported on state income tax returns. If the excess revenue collected is less than one percent of the revenue limit, the excess revenue shall be transferred to the General Revenue Fund.

The revenue limit can be exceeded by a constitutional amendment duly adopted by the people or if the General Assembly approves by a two-thirds vote an emergency declaration by the Governor. Strong economic growth resulted in revenues above the total state revenue limit in fiscal years 1995-1999. The State has refunded to income taxpayers \$979 million in excess revenue for these fiscal years. The revenue limit was not exceeded in fiscal years 2000 through 2020, inclusive. The State is currently \$4.38 billion below the limit and does not expect the limit to be exceeded in fiscal year 2021.

Major Initiatives

Highlights of the 2020 Regular Session include the passage of the following:

- **Professional Licensing and Reciprocity**

House Bill 1511 and House Bill 2046 expanded Missouri’s professional licensure reciprocity statutes. Any person may now apply for reciprocity, including Missouri residents and non-resident military spouses, if they have been licensed for at least a year and are at the same practical level in another U.S. jurisdiction (if that jurisdiction has minimum education requirements). HB 2046 prevents licensing boards from denying licenses strictly due to criminal history, creates a pathway from apprenticeships to occupational licensure, and updates athletic trainer statutes to reflect current practices.

- **COVID-19 Testing and CARES Act Stimulus**

Addressing the early stages of the COVID-19 pandemic, House Bill 1682 provided that if a health care provider recommended COVID-19 testing, testing would be free to the patient. The Department of Health and Senior Services is authorized to use CARES Act funding for this testing to pay for the portion of the expense that is not covered by the resident’s health insurance provider provided that such expenses do not exceed \$150 per test. Additionally, Senate Bill 676 exempted the economic payment from state income taxes to ensure that eligible Missourians would receive the full benefit of the federal CARES Act stimulus.

- **Mail-in Ballots and Absentee Voting**

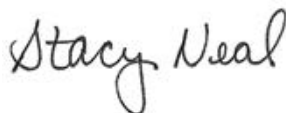
Senate Bill 631 made several reforms to election law and addressed concerns related to the COVID-19 pandemic. Eligible voters may now request, and submit without notarization, absentee ballots for 2020 elections if they are in an at-risk category for contracting or have contracted the disease. Additionally, any registered voter may request a mail-in ballot for 2020 elections provided they request it by the second Wednesday before the election, include a notarization statement, and submit the ballot before the polls close on Election Day.

ACKNOWLEDGEMENTS

While the Office of Administration, Division of Accounting, is responsible for the contents of this report, no one division could do it alone. Many people were involved in the compilation of materials necessary to complete the report.

We want to issue a special thanks to all the personnel at the State agencies who provided us with information quickly and accurately so that we could issue the CAFR in a timely manner. We also owe thanks to the professionalism and dedication demonstrated by technical and management personnel within the State Auditor's Office, the State Treasurer's Office, Office of Administration, Information Technology Services Division, and the State Printing Center. We appreciate all their efforts.

Sincerely,

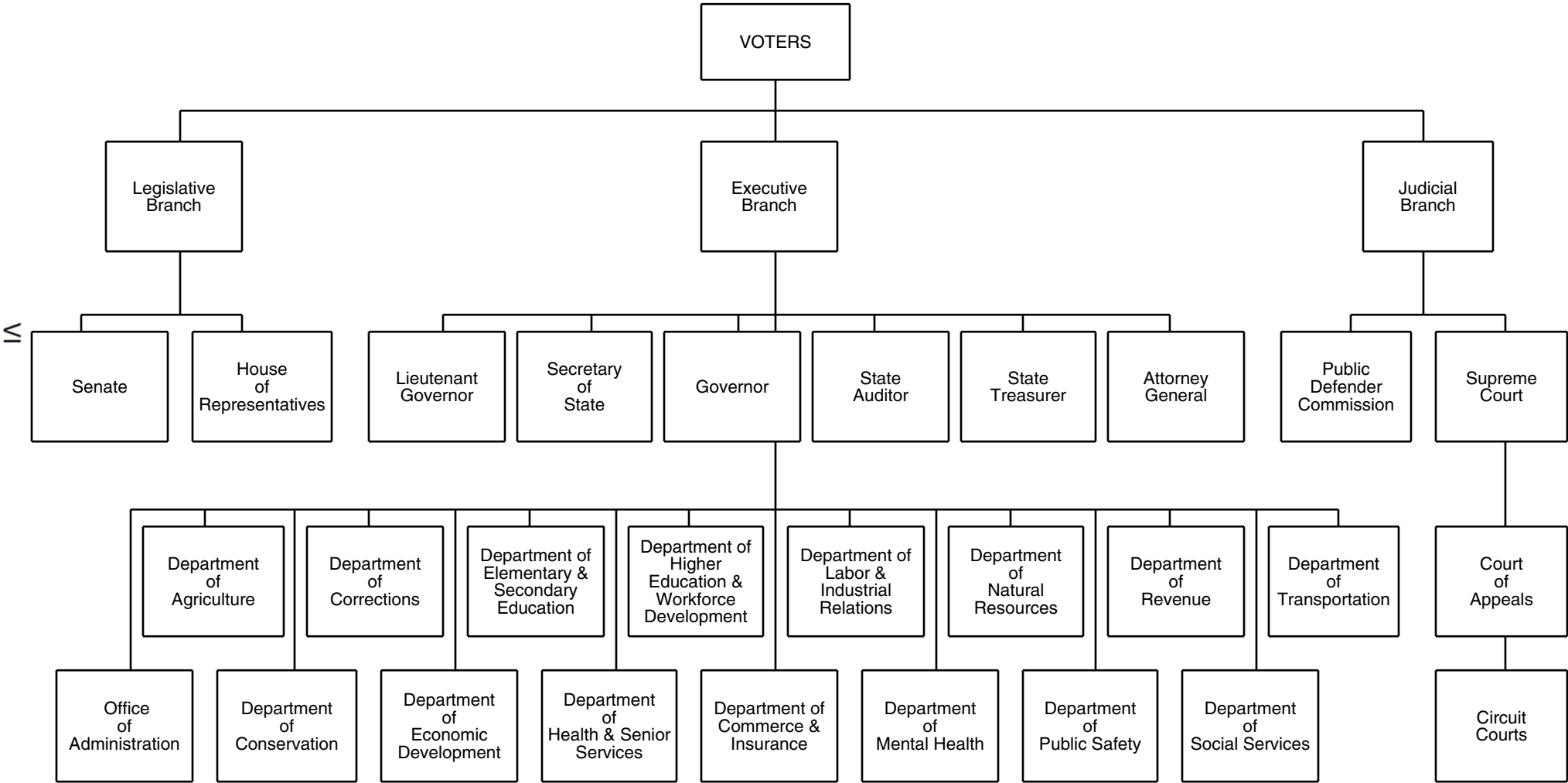
A handwritten signature in cursive script that reads "Stacy Neal".

Stacy Neal, CPA
Director

STATE OF MISSOURI

ORGANIZATIONAL CHART

June 30, 2020



VI

**STATE OF MISSOURI
PRINCIPAL STATE OFFICIALS
as of June 30, 2020**

EXECUTIVE

Michael L. Parson
Governor

Mike Kehoe
Lieutenant Governor

John R. Ashcroft
Secretary of State

Nicole Galloway, CPA
State Auditor

Scott Fitzpatrick
State Treasurer

Eric Schmitt
Attorney General

LEGISLATIVE

Dave Schatz
President Pro Tem of the Senate

Elijah Haahr
Speaker of the House of Representatives

JUDICIAL

George W. Draper III
Chief Justice of the Supreme Court



*The **Financial Section** includes the Independent Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, and Supplementary Information.*



NICOLE GALLOWAY, CPA

Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT

Honorable Michael L. Parson, Governor
and
Members of the General Assembly

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the state of Missouri, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the state's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain entities. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those entities, are based solely on the reports of the other auditors. Those entities were:

1. The Missouri Road Fund, a major fund; the Missouri Road Bond Fund; the Conservation Employees' Insurance Plan; the Transportation Self-Insurance Plan; the Missouri State Employees' Insurance Plan; the Missouri Consolidated Health Care Plan; and the Missouri Department of Transportation and Missouri State Highway Patrol Medical and Life Insurance Plan which represent 71 percent of the assets and 11 percent of the revenues of the governmental activities.
2. The State Lottery, a major fund, and the Petroleum Storage Tank Insurance Fund which represent 16 percent of the assets and 35 percent of the revenues of the business-type activities.

3. The aggregate discretely presented component units.
4. The pension (and other employee benefit) trust funds and the Missouri Department of Transportation agency funds which represent 93 percent of the assets and 97 percent of the additions of the fiduciary funds.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Conservation Employees' Insurance Plan, the Missouri State Employees' Insurance Plan, and the Missouri Consolidated Health Care Plan, internal service funds; the Missouri Development Finance Board, the Missouri Agricultural and Small Business Development Authority, and the State Environmental Improvement Energy Resources Authority, discretely presented component units; and the pension (and other employee benefit) trust funds were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinions on the governmental activities and the General Fund opinion units and our unmodified opinions on all remaining opinion units.

Basis for Qualified Opinions on the Governmental Activities and the General Fund

We were not allowed access to tax returns and related source documents for income taxes. Access was denied based on the Department of Revenue's interpretation of the decision rendered by the Missouri Supreme Court in the case of *Director of Revenue v. State Auditor* 511 S.W.2d 779 (Mo. 1974). Approximately 26 percent of governmental activity revenues and 31 percent of General Fund revenues are from this source. We were unable to satisfy ourselves by appropriate audit procedures as to the income tax revenue beyond the amounts recorded.

Qualified Opinions

In our opinion, based on our audit and the reports of other auditors, and except for the possible effects of the matter described in the "Basis for Qualified Opinions on the Governmental Activities and the General Fund" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the General Fund of the state of Missouri, as of June 30, 2020, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units, each major fund excluding the General Fund, and the aggregate remaining fund information of the state of Missouri, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 18 to the financial statements, the 2019 financial statements have been restated to correct misstatements. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; the Budgetary Comparison Schedule-General Fund, Major Special Revenue Funds; the Schedule of Changes in Net Pension Liability and Related Ratios; the Schedule of Proportionate Share of the Net Pension Liability; the Schedule of State Contributions; the Schedule of Changes in Total OPEB Liability and Related Ratios, the Schedule of Changes in Net OPEB Liability and Related Ratios; and the Schedule of Proportionate Share of the Collective Net OPEB Liability, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the state of Missouri's basic financial statements. The supplementary information, as listed in the table of contents, and the other information, which consists of the introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

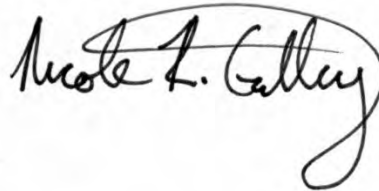
The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States

of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, and except for the possible effects on the supplementary information of the matter discussed in the "Basis for Qualified Opinions on the Governmental Activities and the General Fund" paragraph, the supplementary information, as listed in the table of contents, is fairly stated in all material respects, in relation to the basic financial statements as a whole.

The information in the introductory and statistical sections has not been subjected to the audit procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, our report dated February 25, 2021, on our consideration of the state of Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters will be issued under separate cover in the Report on Internal Control, Compliance, and Other Matters. The purpose of our report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the state of Missouri's internal control over financial reporting or on compliance. Our report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the state of Missouri's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Nicole R. Galloway". The signature is written in a cursive style with a large loop at the end of the last name.

Nicole R. Galloway, CPA
State Auditor

February 25, 2021



The Management's Discussion and Analysis provides a narrative overview and analysis of the financial activities of the State.

Management's Discussion and Analysis

The following is a discussion and analysis of the State of Missouri's financial activities for the fiscal year ended June 30, 2020. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-Wide:

- *Net Position.* Assets and deferred outflows of the State of Missouri exceeded liabilities and deferred inflows at the close of fiscal year 2020 by \$29.1 billion. Of the \$29.1 billion, "unrestricted net position" is reported as a negative \$7.3 billion, offset by \$4.8 billion in "restricted net position", and \$31.6 billion net investment in capital assets.
- *Changes in Net Position.* The State's total net position increased by \$1.0 billion in fiscal year 2020. Net position for governmental-type activities increased by \$1.4 billion.
- *Excess of Revenues over (under) Expenses.* During fiscal year 2020, the State's total revenues of \$32.4 billion were \$1.0 billion greater than total expenses of \$31.4 billion (excluding capital contributions, transfers, and extraordinary items). Of these expenses, \$19.5 billion were covered by program revenues. General revenues, generated primarily from various taxes, totaled \$12.9 billion.

Fund-Level:

- *Governmental Funds – Fund Balance.* At the close of fiscal year 2020, the State's governmental fund assets exceeded liabilities by \$6.8 billion, an increase of \$965.1 million or 16.7% from the prior year. The increase was due to the net effect of several factors. Revenues increased \$1.3 billion, primarily from an increase in federal grants of \$1.5 billion and related expenditures in Human Services increased \$787.0 million due to an increase for Medicaid and Other Assistance Programs.
- *General Fund – Fund Balance.* At the end of the current fiscal year, the State's General Fund reported a balance of \$2.7 billion.

Additional information regarding individual funds begins on Page 8.

Debt Issued and Outstanding:

- The primary government's total long-term obligations related to bonds payable decreased \$81.4 million, or 3.1%, over the prior year. The outstanding bonds payable represents 18.6% of financial assets (cash, receivables, and investments) and 5.3% of total assets. On March 26, 2020, the Board of Public Buildings of the State of Missouri issued its Special Obligation Refunding Bonds, Series A 2020 in the amount of \$38,920,000 to refund on a current basis certain maturities of the Board's Special Obligation Refunding Bond Series A 2011. Additionally, bond payments of \$258,350,000 were made during the fiscal year. The State has financed purchases through direct borrowing with banks in the amount of \$22.8 million. Additional detail is available in *Note 12*.

Revenue Limit:

- The State Constitution limits the State's ability to retain revenue collected over an amount set by a constitutional amendment known as Article X. Excess revenue of 1.0% or more must be refunded to the taxpayers each year. During fiscal year 2020, the State did not exceed the revenue limit.

OVERVIEW OF THE FINANCIAL STATEMENTS

The State's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements:

The government-wide financial statements are designed to provide readers with a broad overview of the State's finances in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the State's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them reported as *net position*. Increases or decreases in net position may serve as a useful indicator of the State's financial position.

The *Statement of Activities* presents information showing how the State's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of when the cash is received. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report three activities:

Governmental Activities are primarily supported by taxes and intergovernmental revenues. They include general government, education, natural and economic resources, transportation and law enforcement, and human services.

Business-Type Activities are intended to recover all or a significant portion of their costs through user fees and charges. They include constructing or operating state park facilities, fairgrounds, historical properties and office buildings, hospital services, warehousing, merchandising, publishing maps and documents, insurance coverage, and inmate canteen. Also included are the operations of the State Lottery, Unemployment Compensation, and the Missouri Veterans' Homes funds.

Discretely Presented Component Units are operations for which the State has financial accountability, but are legally separate. They include the college and universities, Missouri Development Finance Board, Missouri Agricultural and Small Business Development Authority, Missouri Transportation Finance Corporation, Missouri Wine and Grape Board, and the State Environmental Improvement Energy Resources Authority.

Fund Financial Statements:

The fund financial statements present more detailed information about the government's operations than the government-wide statements. The State uses fund accounting to ensure and demonstrate compliance with statutory requirements. The funds of the State can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental funds. Governmental funds are used to account for most of the basic services provided by the State. Unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of current financial resources and utilize the modified accrual basis of accounting. This presentation focuses on when cash will be received and disbursed making the statements useful in evaluating a government's financing requirements in the near future.

Governmental funds include the general, special revenue, capital projects, debt service, and permanent funds. Major funds include general, public education, conservation and environmental protection, and the Missouri Road Fund which are presented in separate columns. Data from other governmental funds are combined into a single column for aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements in supplementary information.

A user can compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. A reconciliation to facilitate this comparison is provided on the page immediately following each governmental fund financial statement.

Proprietary funds. Proprietary funds are used to account for activities similar to private businesses in which goods and services are sold for specified fees. Generally, the State uses enterprise funds to account for activities that provide goods and services to the general public. These include constructing or operating state park facilities, fairgrounds, historical properties and office buildings, hospital services, warehousing, merchandising, and publishing maps and documents. Also included are the operations of the State Lottery, Unemployment Compensation, and the Missouri Veterans' Homes funds. Internal service funds report activities that provide supplies and services for the State's other programs and activities. The State uses internal service funds to account for insurance and health care plans, as well as administrative services for other state agencies, such as fleet management, data processing, and telecommunication services. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds focus on economic resources and utilize the full accrual basis of accounting. The proprietary fund financial statements provide separate information for the State Lottery, Unemployment Compensation, and Missouri Veterans' Homes, which are considered major enterprise funds. Non-major enterprise funds are also combined into a single column for aggregated presentation. All internal service funds are combined into a single column in the proprietary fund financial statements. Individual fund data for the non-major enterprise and internal service funds is provided in the form of combining statements in supplementary information.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside State government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the State's own programs. The fiduciary funds are presented using the full accrual basis of accounting.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) including a budgetary comparison schedule for the General Fund and major special revenue funds and schedules for pension and other post-employment benefits. Other supplementary information includes the combining statements for the general, non-major governmental, non-major enterprise, internal service, fiduciary, and non-major component unit funds. It also includes the statistical section as well as budgetary comparison schedules and statements for the Missouri Road Fund, non-major special revenue, debt service, capital projects, and permanent funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position:

The State's total net position increased \$1.0 billion during fiscal year 2020. Cash and cash equivalents and investments increased \$1.7 billion. This was mainly due to the deposit of \$2.1 billion in Coronavirus Relief Funds that the State received in fiscal year 2020 due to the global pandemic. This is offset by an unearned revenue of \$1.9 billion which represents the amount of unspent Coronavirus Relief funds at the end of fiscal year 2020. Accounts receivable increased \$1.6 billion, while accounts payable for tax refunds also increased mainly due to the delay in income tax filings following the State's extension of the deadline for filing income tax returns from April 15 to July 15. Capital assets increased \$403.9 million primarily related to an increase in investment in the State's infrastructure. The State issued the Board of Public Buildings Series A 2020 Refunding Bond in the amount of \$38.9 million to refund Series A 2011 of the Board of Public Buildings bonds. This refunding and bond payments resulted in a reduction of General Obligation and Other Bonds Payable of \$81.4 million. Net Pension Liability increased \$356.2 million most notably in the Missouri State Employees' Plan and Judicial Plans due to a reduction in the assumed rate of investment return from 7.25% to 7.10% and the recognition of prior year losses.

Net investment in capital assets, which includes capital assets, bonds payable, and capital lease/financed purchase obligations, is the largest component of the State's net position at \$31.5 billion or 108.5%. These assets include construction in progress, software in progress, infrastructure in progress, land, easements, land improvements, buildings, equipment, software, and trademarks which are not easily converted to cash or readily available to pay state debts as they come due. Net investment in capital assets and restricted net position, which do not represent resources available to pay day-to-day operating expenses, increased by \$998.8 million or 2.8%. The increase was primarily due to the increase in capital assets of \$403.9 million and a decrease in related outstanding bond, capital lease, and financed purchase obligation of \$161.4 million.

Restricted net position of the primary government totaled \$4.8 billion or 16.6% of total net position vs. 15.7% from the prior year. Net position is restricted for several reasons including constitutional, legal, enabling legislation, or external requirements. Examples of restricted net position include lottery proceeds restricted for public education, funds restricted for debt service, and certain sales taxes restricted for the maintenance of highways or state parks and conservation areas. Also, many federal funds are restricted to funding certain programs.

The following table displays the current and prior year government-wide condensed Statement of Net Position.

STATEMENT OF NET POSITION (In Thousands of Dollars)						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019*	2020	2019*	2020	2019*
ASSETS:						
Current and Other Assets	\$ 12,535,163	\$ 8,929,399	\$ 1,039,072	\$ 1,362,307	\$ 13,574,235	\$ 10,291,706
Capital Assets, Net	33,676,961	33,271,176	123,060	124,985	33,800,021	33,396,161
<i>Total Assets</i>	<u>46,212,124</u>	<u>42,200,575</u>	<u>1,162,132</u>	<u>1,487,292</u>	<u>47,374,256</u>	<u>43,687,867</u>
DEFERRED OUTFLOWS:	1,511,055	1,799,295	43,487	50,848	1,554,542	1,850,143
LIABILITIES:						
Other Liabilities	3,760,108	1,782,226	52,210	37,112	3,812,318	1,819,338
Long-Term Liabilities	15,143,952	14,826,699	439,440	405,996	15,583,392	15,232,695
<i>Total Liabilities</i>	<u>18,904,060</u>	<u>16,608,925</u>	<u>491,650</u>	<u>443,108</u>	<u>19,395,710</u>	<u>17,052,033</u>
DEFERRED INFLOWS:	457,949	411,690	5,827	6,693	463,776	418,383
NET POSITION:						
Net Investment in Capital Assets	31,415,439	30,848,265	123,060	124,985	31,538,499	30,973,250
Restricted	4,806,055	4,390,964	25,223	6,798	4,831,278	4,397,762
Unrestricted	(7,860,324)	(8,259,974)	559,859	956,556	(7,300,465)	(7,303,418)
<i>Total Net Position</i>	<u>\$ 28,361,170</u>	<u>\$ 26,979,255</u>	<u>\$ 708,142</u>	<u>\$ 1,088,339</u>	<u>\$ 29,069,312</u>	<u>\$ 28,067,594</u>

*Fiscal year 2019 amounts have been restated.

Changes in Net Position:

The schedule below reflects how the State's net position changed during the year. The State collected program revenues of \$19.5 billion and general revenues of \$12.9 billion for total revenues of \$32.4 billion during fiscal year 2020. Expenses for the State during fiscal year 2020 were \$31.4 billion. Total net position, net of contributions and transfers, increased by \$1.0 billion.

The following table displays the current and prior year government-wide condensed Statement of Activities.

STATEMENT OF ACTIVITIES (In Thousands of Dollars)						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019*	2020	2019*	2020	2019*
REVENUES:						
Program Revenues:						
Charges for Services	\$ 1,845,778	\$ 1,722,365	\$ 1,610,177	\$ 1,571,218	\$ 3,455,955	\$ 3,293,583
Operating Grants and Contributions	12,303,468	10,757,841	2,854,555	431,609	15,158,023	11,189,450
Capital Grants and Contributions	887,705	949,652	—	—	887,705	949,652
General Revenues:						
Sales and Use Taxes	3,745,749	3,393,577	—	—	3,745,749	3,393,577
Income Taxes	7,336,166	7,444,139	—	—	7,336,166	7,444,139
Other Taxes	1,663,609	1,660,865	—	—	1,663,609	1,660,865
Other Revenues	141,641	138,138	29,694	26,449	171,335	164,587
<i>Total Revenues</i>	<u>27,924,116</u>	<u>26,066,577</u>	<u>4,494,426</u>	<u>2,029,276</u>	<u>32,418,542</u>	<u>28,095,853</u>
EXPENSES:						
General Government	1,315,325	1,276,223	—	—	1,315,325	1,276,223
Education	7,060,695	7,142,183	—	—	7,060,695	7,142,183
Natural and Economic Resources	938,378	1,055,997	—	—	938,378	1,055,997
Transportation and Law Enforcement	2,154,108	1,984,162	—	—	2,154,108	1,984,162
Human Services	15,289,311	14,445,872	—	—	15,289,311	14,445,872
State Lottery	—	—	1,207,178	1,168,012	1,207,178	1,168,012
Unemployment Compensation	—	—	3,155,342	264,370	3,155,342	264,370
Missouri Veterans' Homes	—	—	125,099	125,245	125,099	125,245
State Fair Fees	—	—	5,404	4,528	5,404	4,528
State Parks and DNR	—	—	14,372	13,257	14,372	13,257
Historic Preservation	—	—	425	531	425	531
Petroleum Storage Tank Insurance	—	—	20,861	20,345	20,861	20,345
Surplus Property	—	—	1,856	2,589	1,856	2,589
Revenue Information	—	—	8	9	8	9
Inmate Canteen	—	—	30,328	28,498	30,328	28,498
All Other Expenses	98,134	109,740	—	—	98,134	109,740
<i>Total Expenses</i>	<u>26,855,951</u>	<u>26,014,177</u>	<u>4,560,873</u>	<u>1,627,384</u>	<u>31,416,824</u>	<u>27,641,561</u>
Increase (Decrease) in Net Position before Capital Contributions, Transfers, and Extraordinary Items	1,068,165	52,400	(66,447)	401,892	1,001,718	454,292
<i>Capital Contributions</i>	—	—	—	173	—	173
<i>Transfers and Extraordinary Items</i>	313,750	304,529	(313,750)	(304,529)	—	—
Change in Net Position	1,381,915	356,929	(380,197)	97,536	1,001,718	454,465
<i>Net Position – July 1</i>	26,979,255	26,622,326	1,088,339	990,803	28,067,594	27,613,129
<i>Net Position – June 30</i>	<u>\$ 28,361,170</u>	<u>\$ 26,979,255</u>	<u>\$ 708,142</u>	<u>\$ 1,088,339</u>	<u>\$ 29,069,312</u>	<u>\$ 28,067,594</u>

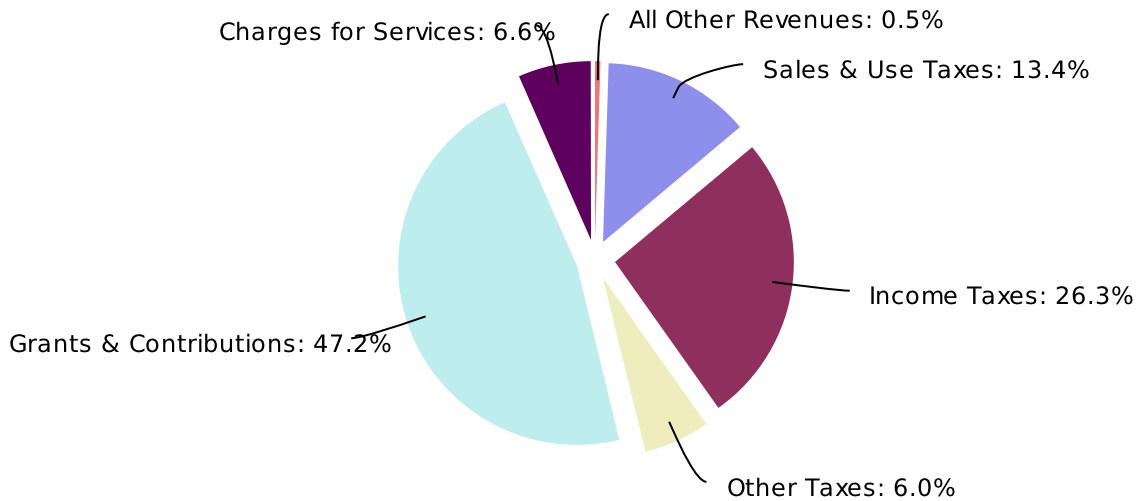
*Fiscal year 2019 amounts have been restated.

Governmental Activities

The net position of governmental activities increased \$1.4 billion in fiscal year 2020. General and program revenues of governmental activities were \$1.9 billion more in fiscal year 2020 than in fiscal year 2019, most notably due to an increase in charges for services, sales and use taxes, and income taxes.

As shown in the Revenues by Source chart below, approximately 45.7% of revenues from all sources earned came from taxes. Grants and contributions, which represents amounts received from other governments/entities, primarily the federal government, provided 47.2% of total revenue. Charges for services contributed 6.6% and various other revenues provided 0.5% of the remaining governmental activity revenue sources.

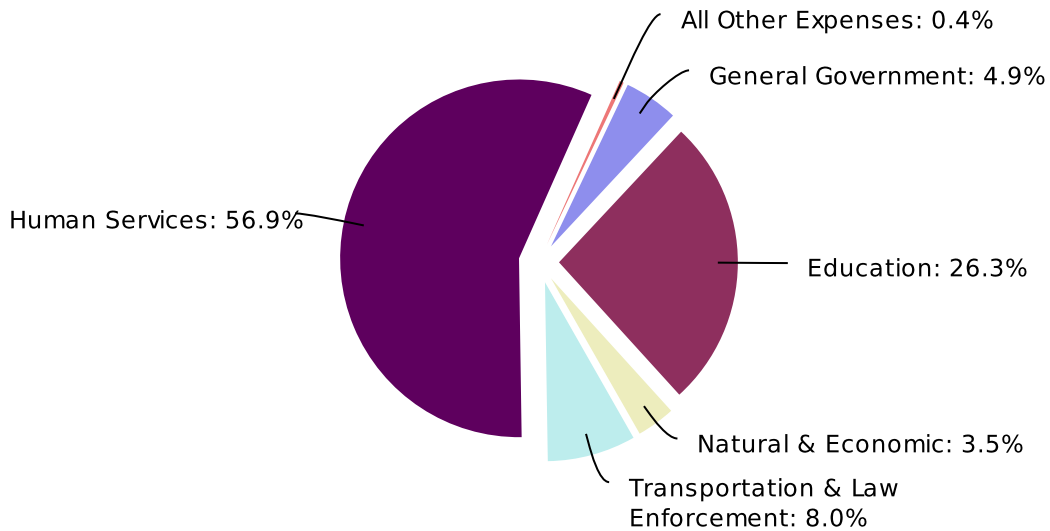
Revenues by Source



The State's governmental activities program expenses for fiscal year 2020 were \$841.8 million more than fiscal year 2019. The most notable increase is \$843.4 million in Human Services. This is mainly due to an increase for Medicaid and Other Assistance Programs.

As shown in the Expenses by Function chart below, expenses for Human Services comprised the largest portion of total governmental activities expenses at 56.9%, followed by Education at 26.3%.

Expenses by Function

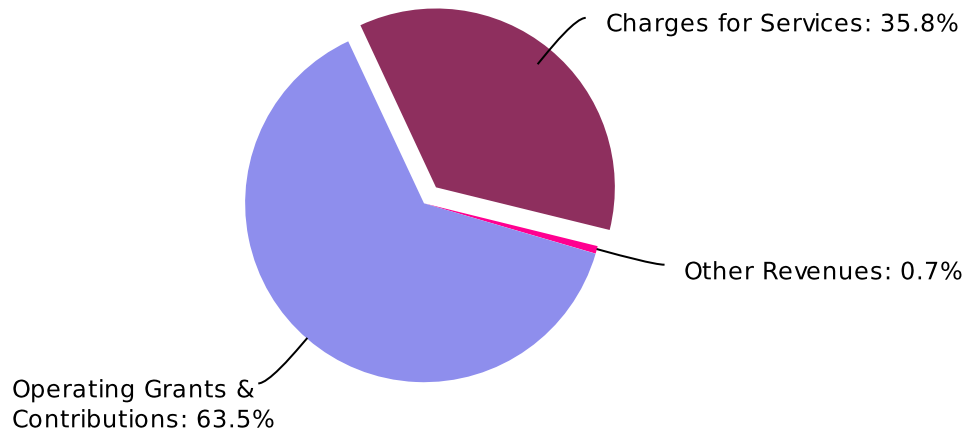


Business-Type Activities

Net position of the State's business-type activities decreased \$380.2 million in fiscal year 2020, primarily caused by a decrease in cash in Unemployment Compensation. The decrease was due to an impacted in economy and a higher unemployment rate as a result of COVID-19.

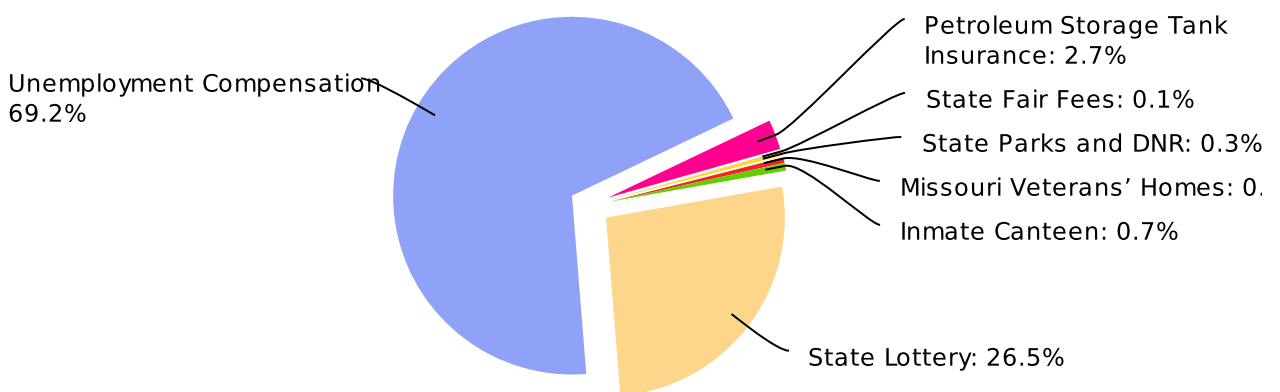
Revenues of business-type activities totaled \$4.5 billion. As shown in the Revenues by Source chart below, 35.8% of the revenues came from charges for services. Operating grants and contributions provided 63.5% of the total revenues and all other revenues provided 0.7%.

Revenues by Source



Expenses of business-type activities totaled \$4.6 billion. As shown in the Expenses by Fund chart below, Unemployment Compensation makes up the largest portion with 69.2% of total business-type expenses. State Lottery comes in second at 26.5%, followed by Petroleum Storage Tank Insurance at 2.7%, Inmate Canteen at 0.7%, Missouri Veterans' Homes at 0.5%, State Parks and DNR at 0.3%, and State Fair Fees at 0.1%.

Expenses by Fund



FINANCIAL ANALYSIS OF THE STATE'S INDIVIDUAL FUNDS

Governmental Funds:

At the end of fiscal year 2020, the State's governmental funds reported combined ending fund balances of \$6.8 billion. Approximately 64.5% is unrestricted and available for spending at the government's discretion. The remainder of fund balance is nonspendable and restricted to indicate that it is not available for new spending because it has already been allocated for: 1) inventories, 2) to pay debt service, 3) for loans receivable, and 4) for a variety of other purposes.

Fund balances (in thousands) for governmental funds are as follows:

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Total
Nonspendable	\$ 48,942	\$ 145	\$ 276	\$ 36,171	\$ 67,894	\$ 153,428
Restricted	598,678	232,296	151,383	885,643	379,924	2,247,924
Committed	662,067	1,697	1,923,984	—	39,026	2,626,774
Assigned	100,048	19,839	113,490	—	241,913	475,290
Unassigned	1,255,194	—	—	—	—	1,255,194
Total	<u>\$ 2,664,929</u>	<u>\$ 253,977</u>	<u>\$ 2,189,133</u>	<u>\$ 921,814</u>	<u>\$ 728,757</u>	<u>\$ 6,758,610</u>

The General Fund is the chief operating fund of the State. At the end of fiscal year 2020, the State's General Fund reported a total fund balance of \$2.7 billion, an increase of \$537.1 million from fiscal year 2019. During fiscal year 2020, the State received \$2.1 billion in Coronavirus Relief Funds, offset by \$1.9 billion in unearned revenue, which represents the unspent amount at the end of the fiscal year, causing an increase in cash and cash equivalents and investments and unearned revenue from the previous fiscal year. Accounts receivable increased \$1.5 billion, offset by an increase in deferred inflows of resources related to unavailable revenues of \$578.8 million, while accounts payable increased \$145.3 million with the majority of that relating to an increase in tax refunds. This is mainly due to the delay in income tax filings following the State's extension of the deadline for filing income tax returns from April 15 to July 15.

The Public Education Fund provides general and special education services to the children of the State and other related functions, such as library services and student loans. Revenues and expenditures both decreased, fund balance remained relatively stable versus fiscal year 2019, ending the year with a fund balance of \$254.0 million, a decrease of \$12.7 million from the previous fiscal year.

The Conservation and Environmental Protection Fund provides the preservation of the State's wildlife and environment. At the end of fiscal year 2020, the fund balance was \$2.2 billion, an increase of \$168.6 million from fiscal year 2019. Cash and cash equivalents and investments increased \$96.1 million while loans receivable increased \$57.6 million. This is primarily due to a bond refunding, which restructured the State Revolving Fund loan Program's Master Trust Pledge Agreement resulting in an excess of State Revolving Fund money being deposited from the Trustee bank and a decrease in the program's operating expenses. State Revolving Fund loans receivable also increased due to the issuance of new loans under the program.

The Missouri Road Fund accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system. Total fund balance increased \$241.8 million from fiscal year 2019. Revenues totaled \$1.4 billion while expenditures totaled \$1.9 billion. Total expenditures increased by \$104.1 million from fiscal year 2019, mainly due to an increase in capital outlays.

Proprietary Funds:

The State has three major proprietary funds: State Lottery, Unemployment Compensation, and Missouri Veterans' Homes Fund. The State Lottery Fund was established in 1986 to account for the sale of lottery tickets and lottery operations. Since 1992, public education has been the sole beneficiary of lottery proceeds. Unemployment Compensation accounts for contributions and payments collected from Missouri employers under the provision of the "Unemployment Compensation Law." This tax finances benefits for workers who become unemployed through no fault of their own. The Missouri Veterans' Homes Fund accounts for fees to provide services for persons confined to one of the veterans' homes. The fund pays for the maintenance, use, or benefit of any of these institutions.

The State Lottery Fund's net position increased by \$2.3 million in fiscal year 2020, due mainly to an increase in sales revenue. Total operating revenues increased by 2.8%, while operating expenses increase by 3.4% in fiscal year 2020. Prize expense increased by \$47.4 million, while ticket sales increased by \$46.7 million. The sales increase was the result of an increase in Scratchers sales by \$120.7 million, or 13.2%, a decrease in Draw Game sales by \$69.3 million, or 15.8%, and a decrease in Pull-Tab sales by \$4.8 million, or 4.2%. The increase in Scratchers ticket sales can be attributed to strong sales of the \$5, \$10, \$20 and \$30 Scratchers games. Mega Millions and Powerball sales were responsible for most of the decrease in Draw Games sales. The decrease in Pull-Tab was a result of dispensers being inactivated for a portion of the year, in response to COVID-19.

The Unemployment Compensation Fund's net position decreased by \$365.3 million during fiscal year 2020, which is mainly due to an operating loss of \$402.0 million. Operating revenues increased by \$2.4 billion and operating expenses increased by \$2.9 billion. The COVID-19 pandemic and Stay-at-Home orders resulted in an unprecedented increase in unemployment claims throughout the Spring of 2020. During fiscal year 2020, actual payouts to individuals receiving regular unemployment benefits increased by 255.4 thousand individuals, or 348.2%. As a result of the pandemic, there was tremendous growth in actual benefits paid, claims filed, and individuals receiving benefits. The Federal Pandemic Unemployment Compensation program provided an additional \$600 per week to claimants receiving unemployment benefits. This benefit allowed the State to recover amounts owed to the Unemployment Compensation Fund, which offset some of the decline.

The Missouri Veterans' Homes Fund's net position decreased by \$8.7 million, or 7.4% in fiscal year 2020, versus a 13.7% decrease the previous fiscal year, primarily due to an increase of \$7.2 million in federal grants financed by the US Veterans Administration. This fund was previously presented as a non-major enterprise fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget is the appropriated budget that is truly agreed to and finally passed by the legislature, and signed by the Governor at the beginning of the fiscal year. The final budget includes emergency and supplemental appropriations, reverted amounts, and increases to estimated appropriations, which occur during the fiscal year.

Budgeted charges to appropriations for fiscal year 2020 from the General Fund were \$28.8 billion original budget and \$36.1 billion final budget. Actual spending was \$26.0 billion. Reasons for the final budget variances include:

- Appropriation authority exceeded cash available for expenditures.
- Lapse of various appropriations.
- Multiple year grants are appropriated in one year, but the expenditures may occur over several years.
- Capital improvement appropriations were restricted during the budget process.

Budgeted revenues/transfers in for fiscal year 2020 for the General Fund were \$27.8 billion original budget and \$29.3 billion final budget. Actual revenue/transfers in was \$27.5 billion. Due to COVID-19 and the uncertainty of federal support, larger than normal appropriations were passed to grant exceptional flexibility and ensure government responsiveness.

Refer to the *Notes to RSI*, Budgetary Reporting, on page 142 for more information on budgetary variances.

GOVERNMENT-WIDE CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets:

The State's investment in capital assets for its governmental and business-type activities as of June 30, 2020, was \$33.8 billion (net of accumulated depreciation/amortization). This investment in capital assets includes construction in progress, software in progress, infrastructure in progress, land, permanent easements, land improvements, temporary easements, buildings and improvements, equipment, software, trademarks, and infrastructure.

Capital Assets of the State include (in thousands):

	Governmental Activities	Business-Type Activities	Total
Construction in Progress	\$ 230,396	\$ 1,733	\$ 232,129
Software in Progress	95,811	30	95,841
Infrastructure in Progress	1,882,418	—	1,882,418
Land	3,089,341	32,649	3,121,990
Permanent Easements	6,332	—	6,332
Land Improvements	229,937	50,719	280,656
Temporary Easements	1,548	50	1,598
Buildings and Improvements	3,694,658	59,501	3,754,159
Equipment	1,407,678	56,735	1,464,413
Software	307,780	829	308,609
Trademarks	17	—	17
Infrastructure	52,044,786	—	52,044,786
<i>Subtotal</i>	62,990,702	202,246	63,192,948
Less Accumulated Depreciation/ Amortization	(29,313,741)	(79,186)	(29,392,927)
Total Capital Assets, Net	\$ 33,676,961	\$ 123,060	\$ 33,800,021

Additional information on capital assets can be found in *Note 5* of this report.

Debt Administration:

At the end of fiscal year 2020, the primary government had total general obligation and other bonded debt outstanding of \$2.5 billion. Of this amount, \$44.5 million comprises debt backed by the full faith and credit of the government. The State had an additional \$22.8 million of financed purchases from direct borrowings obligation outstanding.

Principal amounts retired or refunded in fiscal year 2020 were \$21.6 million for general obligation bonds, \$277.1 million for other bonds, and \$14.2 million for direct borrowings.

The State of Missouri is proud to have maintained a Triple-A credit rating since 1989 from all three major credit rating agencies (Moody's Investor Services, Inc., Standard and Poor's, and Fitch Ratings, Inc.) on the State's General Obligation Bonds.

Outstanding Bonds Payable Financed Purchase Obligation of the State include (in thousands):

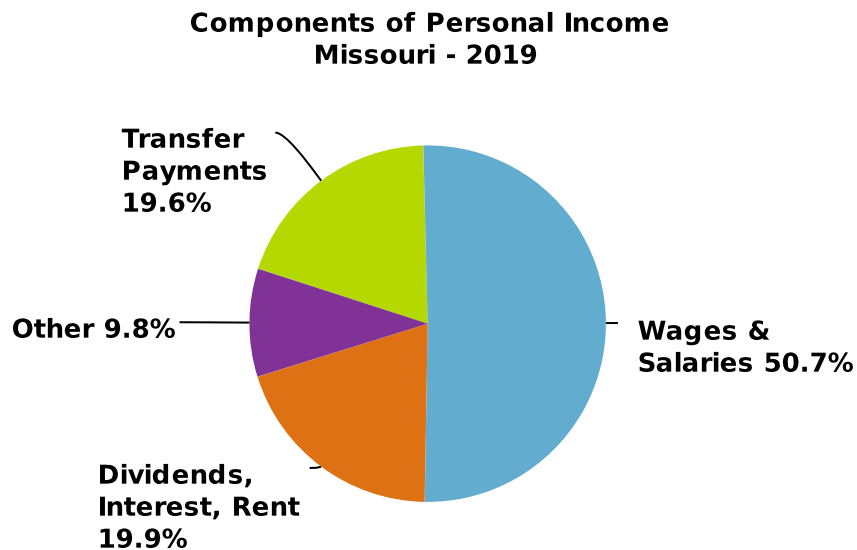
	Governmental Activities	Component Units	Total
General Obligation Bonds	\$ 44,530	\$ —	\$ 44,530
Other Bonds	2,464,135	2,232,533	4,696,668
Direct Placements	—	124,281	124,281
Financed Purchases from Direct Borrowings	22,759	59	22,818
Total	\$ 2,531,424	\$ 2,356,873	\$ 4,888,297

Additional information on long-term debt can be found in *Notes 11, 12, and 13* of this report.

ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET

As a major manufacturing, financial, and agricultural state, Missouri's economic health is tied closely to that of the nation. Missouri's personal income, which directly impacts individual income tax and sales tax, increased 3.3% in 2019. Personal income growth began to accelerate in 2017. Missouri's employment stood at 2.7 million in June 2020, about 7.2% below June 2019. The State's seasonally adjusted unemployment rate registered at 7.9% in June 2020, compared to 3.1% one year earlier. The national rate was 11.1% in June 2020.

Since 2013, personal incomes have increased, on average, 3.2% annually for the State and 4.0% for the nation. The average income of Missouri citizen was \$49,589 in 2019, which was lower than the national average of \$56,663. Missouri's per capita personal income grew 3.3% compared to national growth in per capita income of 3.5% from 2018 to 2019. While the State's per capita income is lower than the national average, so is the cost of living. Missouri is among the most affordable states as it had the fifth lowest cost of living in the United States in the first quarter of 2020. The below graph depicts the components of personal income, with transfer payments (such as social security, Medicare, etc.) comprising 19.6% of the State's total personal income, due in part to the State's aging population.



Source: U.S. Bureau of Economic Analysis 2019

The State of Missouri's net general revenue collections in fiscal year 2020 were \$8.9 billion, a 6.6% decrease from fiscal year 2019 collections. This decrease is primarily due to the shifting of the due date for state income taxes from April 15 to July 15 which resulted in a significant amount of fiscal year 2020 revenues being pushed into fiscal year 2021.

The State's economic outlook for fiscal year 2021 anticipates improvement in employment and wages, and consumption from their sharp COVID-19 induced decline. Since fiscal year 2020 finished significantly below forecast and revenue projections for fiscal year 2021 have been lowered, the Governor has begun fiscal year 2021 with \$438.5 million in restrictions placed on general revenue spending. If necessary, the Governor may restrict additional spending during the fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the State's finances for all those with an interest in the State's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Administration, Division of Accounting, P.O. Box 809, Jefferson City, MO 65102.



*The **Basic Financial Statements** include the Government-Wide Financial Statements, the Governmental Fund Financial Statements, the Proprietary Fund Financial Statements, the Fiduciary Fund Financial Statements, the Component Unit Financial Statements, and the accompanying notes to the statements.*

STATE OF MISSOURI
STATEMENT OF NET POSITION
June 30, 2020
(In Thousands of Dollars)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and Cash Equivalents (Note 3)	\$ 3,241,504	\$ 752,940	\$ 3,994,444	\$ 658,242
Investments (Note 3)	3,098,059	50,023	3,148,082	2,966,289
Invested Securities Lending Collateral (Note 3)	—	—	—	1,261
Receivables, Net (Note 14)	6,084,084	207,282	6,291,366	999,257
Internal Balances	14,089	(14,089)	—	—
Inventories	76,843	4,781	81,624	56,283
Deposits and Prepaid Expenses	384	—	384	35,186
Restricted Assets:				
Cash and Cash Equivalents (Note 3)	7,859	—	7,859	264,773
Investments (Note 3)	12,341	38,135	50,476	1,746,863
Receivables, Net	—	—	—	59,575
Other Assets	—	—	—	14,041
Capital Assets (Note 5):				
Non-Depreciable	5,304,298	34,412	5,338,710	526,543
Depreciable, Net	28,372,663	88,648	28,461,311	5,128,255
Total Assets	<u>46,212,124</u>	<u>1,162,132</u>	<u>47,374,256</u>	<u>12,456,568</u>
Deferred Outflows of Resources (Note 15)	<u>1,511,055</u>	<u>43,487</u>	<u>1,554,542</u>	<u>697,771</u>
Liabilities				
Bank Overdraft (Notes 3 and 10)	2	—	2	—
Payables (Note 14)	1,708,668	50,808	1,759,476	1,156,659
Securities Lending Obligation (Note 3)	—	—	—	1,261
Unearned Revenue (Note 1)	1,932,015	1,402	1,933,417	160,636
Escheat/Unclaimed Property	119,423	—	119,423	—
Long-Term Liabilities (Note 11):				
Due Within One Year	684,322	116,010	800,332	263,392
Due in More Than One Year	14,459,630	323,430	14,783,060	5,079,942
Total Liabilities	<u>18,904,060</u>	<u>491,650</u>	<u>19,395,710</u>	<u>6,661,890</u>
Deferred Inflows of Resources (Note 15)	<u>457,949</u>	<u>5,827</u>	<u>463,776</u>	<u>174,769</u>
Net Position				
Net Investment in Capital Assets	31,415,439	123,060	31,538,499	3,237,435
Restricted for:				
Budget Reserve	654,523	—	654,523	—
Debt Service	472,553	—	472,553	—
Grants	597,015	—	597,015	—
Enabling Legislation (Note 1)	592,360	—	592,360	—
Loans Receivable	1,464,991	—	1,464,991	—
Permanent Trusts:				
Expendable	121	—	121	623,750
Non-Expendable	63,130	—	63,130	1,313,405
External Parties	961,362	25,223	986,585	106,363
Unrestricted	(7,860,324)	559,859	(7,300,465)	1,036,727
Total Net Position	<u>\$ 28,361,170</u>	<u>\$ 708,142</u>	<u>\$ 29,069,312</u>	<u>\$ 6,317,680</u>

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 1,315,325	\$ 579,132	\$ 2,008,537	\$ 11
Education	7,060,695	40,056	1,066,726	—
Natural and Economic Resources	938,378	285,680	201,616	3
Transportation and Law Enforcement	2,154,108	242,188	217,889	887,571
Human Services	15,289,311	664,755	8,808,700	120
Interest on Debt (Excluding Direct Expense)	98,134	33,967	—	—
Total Governmental Activities	26,855,951	1,845,778	12,303,468	887,705
Business-Type Activities:				
State Lottery	1,207,178	1,526,247	—	—
Unemployment Compensation	3,155,342	—	2,771,732	—
Missouri Veterans' Homes	125,099	22,038	80,336	—
State Fair Fees	5,404	3,887	185	—
State Parks and DNR	14,372	10,893	2,277	—
Historic Preservation	425	—	—	—
Petroleum Storage Tank Insurance	20,861	17,116	—	—
Surplus Property	1,856	1,158	—	—
Revenue Information	8	661	—	—
Inmate Canteen Fund	30,328	28,177	25	—
Total Business-Type Activities	4,560,873	1,610,177	2,854,555	—
Total Primary Government	\$ 31,416,824	\$ 3,455,955	\$ 15,158,023	\$ 887,705
Component Units:				
College and Universities	\$ 5,050,278	\$ 3,243,043	\$ 1,506,362	\$ 64,204
Non-Major Component Units	12,347	8,040	—	—
Total Component Units	\$ 5,062,625	\$ 3,251,083	\$ 1,506,362	\$ 64,204

General Revenues:

Taxes:

Sales and Use

Individual Income

Corporate Income

County Foreign Insurance

Alcoholic Beverage

Corporate Franchise

Fuel

Miscellaneous Taxes

Grants and Contributions not Restricted to Specific Programs

Unrestricted Investment Earnings

Capital Contributions

Extraordinary Item

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

Net (Expenses) Revenues and Changes in Net Position

Primary Government				
Governmental Activities	Business-Type Activities	Total		Component Units
\$ 1,272,355	\$ —	\$ 1,272,355		\$ —
(5,953,913)	—	(5,953,913)		—
(451,079)	—	(451,079)		—
(806,460)	—	(806,460)		—
(5,815,736)	—	(5,815,736)		—
(64,167)	—	(64,167)		—
<u>(11,819,000)</u>	<u>—</u>	<u>(11,819,000)</u>		<u>—</u>
—	319,069	319,069		—
—	(383,610)	(383,610)		—
—	(22,725)	(22,725)		—
—	(1,332)	(1,332)		—
—	(1,202)	(1,202)		—
—	(425)	(425)		—
—	(3,745)	(3,745)		—
—	(698)	(698)		—
—	653	653		—
—	(2,126)	(2,126)		—
—	(96,141)	(96,141)		—
<u>(11,819,000)</u>	<u>(96,141)</u>	<u>(11,915,141)</u>		<u>—</u>
—	—	—		(236,669)
—	—	—		(4,307)
—	—	—		<u>(240,976)</u>
3,745,749	—	3,745,749		—
6,878,180	—	6,878,180		—
457,986	—	457,986		—
290,361	—	290,361		—
38,820	—	38,820		—
—	—	—		—
711,707	—	711,707		—
622,721	—	622,721		—
51,413	—	51,413		2,630
90,228	29,694	119,922		60,479
—	—	—		—
—	—	—		—
313,750	(313,750)	—		—
<u>13,200,915</u>	<u>(284,056)</u>	<u>12,916,859</u>		<u>63,109</u>
<u>1,381,915</u>	<u>(380,197)</u>	<u>1,001,718</u>		<u>(177,867)</u>
<u>26,979,255</u>	<u>1,088,339</u>	<u>28,067,594</u>		<u>6,495,547</u>
<u>\$ 28,361,170</u>	<u>\$ 708,142</u>	<u>\$ 29,069,312</u>		<u>\$ 6,317,680</u>

The notes to the financial statements are an integral part of this statement.



The Governmental Funds focus on current financial resources.

Governmental Fund Financial Statements

Major Funds

General Fund - Accounts for all current financial resources not required by law or administrative action to be accounted for in another fund.

Major Special Revenue Funds:

Public Education - Provides general and special education needs of the State and other related areas such as library services and student loans.

Conservation and Environmental Protection - Provides for the preservation of the State's wildlife and environment.

Major Capital Projects Fund:

Missouri Road Fund - Accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system.

Non-Major Funds

Non-Major Governmental Funds are presented in the Combining and Individual Fund Statements for non-major funds as part of Supplementary Information.

**STATE OF MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020
(In Thousands of Dollars)**

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Totals June 30, 2020
ASSETS						
Cash and Cash Equivalents (Note 3)	\$ 2,115,282	\$ 89,159	\$ 221,556	\$ 318,828	\$ 301,514	\$ 3,046,339
Investments (Note 3)	1,461,048	51,565	495,366	590,260	312,988	2,911,227
Accounts Receivable, Net	4,022,655	130,747	44,593	135,568	174,266	4,507,829
Interest Receivable	7,464	1,066	22,111	2,242	1,056	33,939
Due from Other Funds (Note 16)	—	9,450	—	—	2,934	12,384
Due from Component Units (Note 16)	—	—	10	—	—	10
Inventories	24,987	145	276	36,171	4,764	66,343
Advance to Component Units (Note 16)	—	—	108	—	—	108
Loans Receivable	23,955	781	1,438,097	—	2,158	1,464,991
Restricted Assets:						
Cash and Cash Equivalents (Note 3)	—	—	—	6,504	—	6,504
Investments (Note 3)	—	—	—	12,041	—	12,041
Total Assets	<u>\$ 7,655,391</u>	<u>\$ 282,913</u>	<u>\$ 2,222,117</u>	<u>\$ 1,101,614</u>	<u>\$ 799,680</u>	<u>\$ 12,061,715</u>
LIABILITIES						
Accounts Payable	\$ 1,350,281	\$ 196	\$ 15,938	\$ 125,823	\$ 55,281	\$ 1,547,519
Accrued Payroll	69,816	70	5,159	15,302	8,587	98,934
Due to Other Funds (Note 16)	7,354	5	167	384	794	8,704
Unearned Revenue (Note 1)	1,870,332	—	56	28,145	—	1,898,533
Escheat/Unclaimed Property	119,423	—	—	—	—	119,423
Total Liabilities	<u>3,417,206</u>	<u>271</u>	<u>21,320</u>	<u>169,654</u>	<u>64,662</u>	<u>3,673,113</u>
DEFERRED INFLOWS OF RESOURCES (Note 15)	<u>1,573,256</u>	<u>28,665</u>	<u>11,664</u>	<u>10,146</u>	<u>6,261</u>	<u>1,629,992</u>
FUND BALANCES (Note 4)						
Nonspendable	48,942	145	276	36,171	67,894	153,428
Restricted	598,678	232,296	151,383	885,643	379,924	2,247,924
Committed	662,067	1,697	1,923,984	—	39,026	2,626,774
Assigned	100,048	19,839	113,490	—	241,913	475,290
Unassigned	1,255,194	—	—	—	—	1,255,194
Total Fund Balances	<u>2,664,929</u>	<u>253,977</u>	<u>2,189,133</u>	<u>921,814</u>	<u>728,757</u>	<u>6,758,610</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,655,391</u>	<u>\$ 282,913</u>	<u>\$ 2,222,117</u>	<u>\$ 1,101,614</u>	<u>\$ 799,680</u>	<u>\$ 12,061,715</u>

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2020
(In Thousands of Dollars)**

Total Fund Balances - Governmental Funds		\$ 6,758,610
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental funds are not financial resources and are not reported in the funds. These assets consist of (Note 5):		
Construction in Progress	230,378	
Software in Progress	94,550	
Infrastructure in Progress	1,882,418	
Land	3,081,007	
Permanent Easements	6,332	
Land Improvements	226,345	
Temporary Easements	1,548	
Buildings and Improvements	3,200,612	
Equipment	1,266,740	
Software	266,050	
Trademarks	17	
Infrastructure	52,044,786	
Accumulated Depreciation/Amortization	(28,919,065)	
		33,381,718
Deferred inflows of resources related to the State's revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures are deferred in the funds.		
		1,629,992
Deferred outflows of resources related to pensions and OPEB (Other Postemployment Benefits) are applicable to future reporting periods and therefore, not reported in the funds.		
		1,447,107
Deferred outflows of resources related to asset retirement obligations are applicable to future reporting periods and therefore, not reported in the funds.		
		820
Deferred inflows of resources related to pensions and OPEB are applicable to future reporting periods and therefore, not reported in the funds.		
		(452,371)
Deferred outflows of resources related to deferred charges or credits on debt refundings are applicable to future reporting periods and therefore, not reported in the funds.		
		29,202
Deferred inflows of resources related to deferred charges or credits on debt refundings are applicable to future reporting periods and therefore, not reported in the funds.		
		(876)
Some liabilities are not due and payable in the current period and therefore, not reported in the funds. Those liabilities consist of (Note 11):		
Due to Other Entities	(1,429)	
General Obligation and Other Bonds Payable	(2,508,665)	
Unamortized Bond Premium	(129,062)	
Accrued Interest on Bonds	(23,604)	
Obligation under Financed Purchases	(9,198)	
Obligation under Capital Lease	(17,742)	
Pollution Remediation	(48,264)	
Asset Retirement Obligations	(1,792)	
Compensated Absences	(185,296)	
Claims Liability	(26,184)	
Contingent Liabilities	(2,201,833)	
Net Other Postemployment Benefit Obligation	(2,859,398)	
Net Pension Liability	(6,789,847)	
		(14,802,314)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Position.		
		369,282
Net Position of Governmental Activities		\$ 28,361,170

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Eliminations	Totals June 30, 2020
Revenues:							
Taxes	\$ 9,433,118	\$ 1,243,525	\$ 221,960	\$ 180,343	\$ 1,090,687	\$ —	\$ 12,169,633
Licenses, Fees, and Permits	95,059	935	83,716	107,886	427,180	—	714,776
Sales	470	—	6,177	—	1,392	—	8,039
Leases and Rentals	—	—	116	—	1	—	117
Services	121,087	—	—	—	925	—	122,012
Contributions and Intergovernmental	11,788,584	11,301	97,693	971,557	373,836	—	13,242,971
Investment Earnings:							
Net Increase (Decrease) in the Fair Value of Investments	6,675	228	2,846	3,183	865	—	13,797
Interest	42,732	4,214	36,504	14,079	8,182	—	105,711
Penalties and Unclaimed Properties	62,962	996	2,715	—	19,504	—	86,177
Cost Reimbursement/ Miscellaneous	380,681	86,552	5,694	89,200	54,956	—	617,083
Total Revenues	21,931,368	1,347,751	457,421	1,366,248	1,977,528	—	27,080,316
Expenditures:							
Current:							
General Government	781,884	448	2,174	—	246,438	—	1,030,944
Education	4,342,968	2,685,304	—	—	5,699	—	7,033,971
Natural and Economic Resources	179,795	3,791	283,399	—	242,271	—	709,256
Transportation and Law Enforcement	522,827	1	648	797,438	311,928	—	1,632,842
Human Services	14,155,905	9,413	1,794	—	685,958	—	14,853,070
Capital Outlay:							
General Government	—	—	—	—	13,836	—	13,836
Natural and Economic Resources	—	—	—	—	2,638	—	2,638
Transportation and Law Enforcement	—	—	—	1,003,097	213	—	1,003,310
Human Services	—	—	—	—	1,955	—	1,955
Debt Service:							
Principal	70,021	—	—	44,461	151,796	—	266,278
Interest	26,502	—	—	5,856	85,497	—	117,855
Bond Issuance Costs	155	—	—	513	—	—	668
Underwriter's Discount	12	—	—	—	—	—	12
Total Expenditures	20,080,069	2,698,957	288,015	1,851,365	1,748,229	—	26,666,635
Excess Revenues (Expenditures)	1,851,299	(1,351,206)	169,406	(485,117)	229,299	—	413,681
Other Financing Sources (Uses):							
Proceeds from Notes/Capital Leases/ Financed Purchases	2,135	—	—	—	26	—	2,161
Issuance of Refunding Bonds	38,920	—	—	—	—	—	38,920
Proceeds From Bonds	—	—	—	178,370	—	—	178,370
Payments to Escrow Agent	(41,069)	—	—	—	—	—	(41,069)
Bond Premium (Note 11)	2,315	—	—	23,143	—	—	25,458
Proceeds from Sale of Capital Assets	466	—	28	18,704	8,593	—	27,791
Transfers In (Note 17)	54,174	1,370,873	1,048	506,665	286,575	(1,889,058)	330,277
Transfers Out (Note 17)	(1,373,407)	(32,446)	(1,835)	—	(494,392)	1,889,058	(13,022)
Total Other Financing Sources (Uses)	(1,316,466)	1,338,427	(759)	726,882	(199,198)	—	548,886
Net Change in Fund Balances	534,833	(12,779)	168,647	241,765	30,101	—	962,567
Fund Balances - Beginning (Note 18)	2,127,836	266,719	2,020,541	680,049	698,317	—	5,793,462
Increase (Decrease) in Reserve for Inventory	2,260	37	(55)	—	339	—	2,581
Fund Balances - Ending	\$ 2,664,929	\$ 253,977	\$ 2,189,133	\$ 921,814	\$ 728,757	\$ —	\$ 6,758,610

The notes to the financial statements are an integral part of this statement.

**STATE OF MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES IN
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)**

Net Change in Fund Balances - Total Governmental Funds		\$ 962,567
Amounts reported for governmental activities in the Statement of Activities are different because:		
Inventories, which are recorded under the purchases method for governmental fund reporting, are reported under the consumption approach on the Statement of Activities. As a result of this change, the Increase in Reserve for Inventories on the fund statement has been reclassified as a functional expense on the government-wide statement.		2,581
Governmental funds report capital outlays as expenditures. In the Statement of Activities, however, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount that capital outlays of \$1,149,685, exceeds depreciation/amortization of \$712,297 in the current period.		437,388
In the Statement of Activities only the gain/loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus the change in net position differs from the change in governmental fund balance by the net book value of the assets sold.		(21,454)
The net effect of the donation of capital assets increased net position.		143
Deferred inflows do not provide current financial resources and are not recognized as revenues until available in governmental funds.		577,859
Pension and OPEB (Other Postemployment Benefits) contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability and OPEB liability are measured a year before the report date. Pension expense and OPEB expense, which are the change in the net pension liability and the net change in OPEB liability, adjusted for changes in deferred outflows and inflows of resources related to pensions and OPEB, is reported in the Statement of Activities.		
Pension Contributions		586,640
Pension Expense		(1,204,830)
OPEB Contributions		89,720
OPEB Expense		(89,441)
Deferred outflows of resources related to deferred charges on asset retirement obligations are applicable to future reporting periods and therefore, not reported in the funds.		(36)
Proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. In governmental funds, repayment of principal is an expenditure, but the repayment reduces long-term liabilities in the Combined Statement of Net Position (Note 11):		
Bonds Issued	(217,290)	
Bond Premiums and Refunding Costs	(24,739)	
Bonds Retired	298,700	
Financed Purchases Issued	(2,135)	
Financed Purchase Payments	6,339	
Capital Lease Payments	1,587	
		62,462
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, not reported as expenditures in governmental funds (Note 11):		
Amortization of Bond Premium and Refunding Costs	21,389	
Increase in Accrued Interest	(473)	
Decrease in Pollution Remediation	541	
Increase in Due to Other Entities	(26)	
Increase in Compensated Absences	(13,368)	
Increase in Contingent Liabilities	(99,539)	
Decrease in Claims Liability	3,456	
		(88,020)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue and expense of internal service funds are reported with governmental activities.		66,336
Change in Net Position of Governmental Activities		\$ 1,381,915
The notes to the financial statements are an integral part of this statement.		



*The **Proprietary Funds** focus on economic resources and are operated in a manner similar to private business enterprises.*

Proprietary Fund Financial Statements

Major Funds

State Lottery - Accounts for proceeds from the sale of lottery tickets and all other moneys credited or transferred to this fund. A minimum of 45% of the moneys are used for prizes.

Unemployment Compensation - Accounts for contributions and payments collected under the provisions of the "Unemployment Compensation Law" to pay benefits.

Missouri Veterans' Homes - Accounts for fees to provide services for persons confined to one of the veterans' homes.

Non-Major Funds

Non-major enterprise funds and all internal service funds are presented in our combining non-major fund financial statements as part of Supplementary Information.

**STATE OF MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020
(In Thousands of Dollars)**

	Business-Type Activities - Enterprise Funds						
	Major Funds						
	State Lottery	Unemployment Compensation	Missouri Veterans' Homes	Non-Major Funds	Eliminations	Totals June 30, 2020	Governmental Activities Internal Service Funds
ASSETS							
Current Assets:							
Cash and Cash Equivalents (Note 3)	\$ 34,617	\$ 664,429	\$ 12,080	\$ 41,814	\$ —	\$ 752,940	\$ 195,165
Investments (Note 3)	18,342	—	3,326	28,355	—	50,023	47,359
Restricted:							
Investments (Note 3)	3,791	—	—	—	—	3,791	100
Accounts Receivable, Net	66,334	131,918	6,702	1,987	—	206,941	76,754
Interest Receivable	87	—	14	133	—	234	451
Due from Other Funds (Note 16)	—	—	—	80	(1)	79	8,981
Due from Component Units (Note 16)	—	—	—	—	—	—	1
Inventories	—	—	378	4,403	—	4,781	10,500
Prepaid Items	—	—	—	—	—	—	384
Loans Receivable	—	—	—	107	—	107	—
Total Current Assets	<u>123,171</u>	<u>796,347</u>	<u>22,500</u>	<u>76,879</u>	<u>(1)</u>	<u>1,018,896</u>	<u>339,695</u>
Non-Current Assets:							
Investments	—	—	—	—	—	—	139,473
Restricted:							
Cash and Cash Equivalents (Note 3)	—	—	—	—	—	—	1,355
Investments (Note 3)	34,344	—	—	—	—	34,344	200
Capital Assets (Note 5):							
Construction in Progress	—	—	—	1,733	—	1,733	18
Software in Progress	—	—	—	30	—	30	1,261
Land	353	—	—	32,296	—	32,649	8,334
Land Improvements	—	—	483	50,236	—	50,719	3,592
Temporary Easements	—	—	—	50	—	50	—
Buildings	5,270	—	1,519	52,712	—	59,501	494,046
Equipment	8,245	—	12,950	35,540	—	56,735	140,938
Software	461	—	206	162	—	829	41,730
Less Accumulated Depreciation/Amortization	(12,033)	—	(9,612)	(57,541)	—	(79,186)	(394,676)
Total Non-Current Assets	<u>36,640</u>	<u>—</u>	<u>5,546</u>	<u>115,218</u>	<u>—</u>	<u>157,404</u>	<u>436,271</u>
Total Assets	<u>159,811</u>	<u>796,347</u>	<u>28,046</u>	<u>192,097</u>	<u>(1)</u>	<u>1,176,300</u>	<u>775,966</u>
DEFERRED OUTFLOWS OF RESOURCES (Note 15)	<u>4,718</u>	<u>—</u>	<u>35,185</u>	<u>3,584</u>	<u>—</u>	<u>43,487</u>	<u>33,926</u>
LIABILITIES							
Current Liabilities:							
Bank Overdraft (Note 3 and 10)	—	—	—	—	—	—	2
Accounts Payable	5,514	40,185	1,145	2,022	—	48,866	10,920
Accrued Payroll	302	—	1,319	321	—	1,942	2,111
Due to Other Funds (Note 16)	9,490	2,934	53	19	(1)	12,495	25,824
Unearned Revenue (Note 1)	817	—	83	502	—	1,402	33,482
Claims Liability (Note 11)	—	—	—	12,500	—	12,500	78,663
Grand Prize Winner Liability (Note 11)	98,307	—	—	—	—	98,307	—
Obligations under Financed Purchases (Note 11)	—	—	—	—	—	—	7,099
Obligations under Lease Purchase (Note 11)	—	—	—	—	—	—	2,020
Compensated Absences (Note 11)	750	—	3,874	579	—	5,203	3,699
Total Current Liabilities	<u>115,180</u>	<u>43,119</u>	<u>6,474</u>	<u>15,943</u>	<u>(1)</u>	<u>180,715</u>	<u>163,820</u>
Non-Current Liabilities:							
Claims Liability (Note 11)	—	—	—	72,663	—	72,663	46,161
Grand Prize Winner Liability (Note 11)	28,892	—	—	—	—	28,892	—
Obligations under Financed Purchases (Note 11)	—	—	—	—	—	—	6,462
Obligations under Lease Purchase (Note 11)	—	—	—	—	—	—	22,301
Compensated Absences (Note 11)	—	—	—	63	—	63	1,420
Asset Retirement Obligations (Note 11)	—	—	—	2	—	2	—
Net OPEB Liability (Note 11)	7,488	—	44,788	4,081	—	56,357	50,285
Net Pension Liability (Note 11)	21,174	—	132,734	11,545	—	165,453	147,132
Total Non-Current Liabilities	<u>57,554</u>	<u>—</u>	<u>177,522</u>	<u>88,354</u>	<u>—</u>	<u>323,430</u>	<u>273,761</u>
Total Liabilities	<u>172,734</u>	<u>43,119</u>	<u>183,996</u>	<u>104,297</u>	<u>(1)</u>	<u>504,145</u>	<u>437,581</u>
DEFERRED INFLOWS OF RESOURCES (Note 15)	<u>660</u>	<u>—</u>	<u>4,785</u>	<u>382</u>	<u>—</u>	<u>5,827</u>	<u>4,702</u>
NET POSITION							
Net Investment in Capital Assets	2,296	—	5,546	115,218	—	123,060	257,361
Restricted for:							
Other Purposes	5,450	19,773	—	—	—	25,223	1,607
Unrestricted	(16,611)	733,455	(131,096)	(24,216)	—	561,532	108,641
Total Net Position (Note 19)	<u>\$ (8,865)</u>	<u>\$ 753,228</u>	<u>\$ (125,550)</u>	<u>\$ 91,002</u>	<u>\$ —</u>	<u>\$ 709,815</u>	<u>\$ 367,609</u>
						Total Net Position Reported Above	\$ 709,815
						Consolidation Adjustment of Internal Service Activities Related to Enterprise Funds	(1,673)
						Net Position of Business-Type Activities	<u>\$ 708,142</u>

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Business-Type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Major Funds				Totals June 30, 2020	
	State Lottery	Unemployment Compensation	Missouri Veterans' Homes	Non-Major Funds		
Operating Revenues:						
Employer Contributions	\$ —	\$ 384,225	\$ —	\$ —	\$ 384,225	\$ 524,628
Employee Contributions	—	—	—	—	—	163,052
Federal Contracts	—	2,369,119	—	—	2,369,119	—
Medicare Part D Subsidy	—	—	—	—	—	7,070
Licenses, Fees, and Permits	—	—	—	26,767	26,767	12,244
Sales	1,525,907	—	256	29,613	1,555,776	29,007
Leases and Rentals	—	—	—	3,819	3,819	60,934
Charges for Services	—	—	20,631	—	20,631	144,435
Cost Reimbursement/Miscellaneous	340	—	—	1,351	1,691	49,250
Total Operating Revenues	1,526,247	2,753,344	20,887	61,550	4,362,028	990,620
Operating Expenses:						
Cost of Goods Sold	26,601	—	—	21,208	47,809	23,675
Personal Service	14,120	—	102,746	13,563	130,429	101,417
Operations	93,819	—	19,628	20,227	133,674	117,762
Prizes Expense	1,062,490	—	—	—	1,062,490	—
Specific Programs	—	—	1,294	14,025	15,319	41,895
Insurance Benefits	—	—	—	—	—	607,091
Unemployment Benefits	—	3,155,342	—	—	3,155,342	—
Depreciation/Amortization	964	—	1,283	4,284	6,531	21,679
Other Charges	9,284	—	181	665	10,130	12,599
Total Operating Expenses	1,207,278	3,155,342	125,132	73,972	4,561,724	926,118
Operating Income (Loss)	318,969	(401,998)	(104,245)	(12,422)	(199,696)	64,502
Non-Operating Revenues (Expenses):						
Contributions and Intergovernmental	—	18,388	80,336	2,487	101,211	83
Interest Expense	—	—	—	24	24	(1,199)
Investment Earnings:						
Net Increase (Decrease) in the						
Fair Value of Investments	2,339	—	17	135	2,491	2,222
Interest	644	24,542	1,088	929	27,203	4,993
Penalties and Unclaimed Properties	—	—	1,151	—	1,151	—
Disposal of Capital Assets	58	—	(21)	323	360	58
Total Non-Operating Revenues (Expenses)	3,041	42,930	82,571	3,898	132,440	6,157
Income (Loss) Before Transfers	322,010	(359,068)	(21,674)	(8,524)	(67,256)	70,659
Transfers In (Note 17)	—	—	13,000	90	13,090	55
Transfers Out (Note 17)	(319,716)	(6,238)	—	(886)	(326,840)	(3,569)
Change in Net Position	2,294	(365,306)	(8,674)	(9,320)	(381,006)	67,145
Total Net Position - Beginning (Note 18)	(11,159)	1,118,534	(116,876)	100,322	1,090,821	300,464
Total Net Position - Ending (Note 19)	\$ (8,865)	\$ 753,228	\$ (125,550)	\$ 91,002	\$ 709,815	\$ 367,609
					Total Net Change in Net Assets Reported Above	\$ (381,006)
					Consolidation Adjustment of Internal Services Activities Related to Enterprise Funds	809
					Change in Net Assets of Business-Type Activities	<u>\$ (380,197)</u>

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Business-Type Activities - Enterprise Funds					
	Major Funds					Governmental Activities Internal Service Funds
	State Lottery	Unemployment Compensation	Missouri Veterans' Homes	Non-Major Funds	Totals June 30, 2020	
Cash Flows from Operating Activities:						
Receipts from Internal Customers and Users	\$ —	\$ 1,810	\$ 1	\$ 380	\$ 2,191	\$ 749,166
Receipts from External Customers and Users	1,512,311	2,720,303	20,485	60,228	4,313,327	195,948
Payments to Suppliers	(119,175)	—	(19,645)	(40,952)	(179,772)	(154,397)
Payments to Employees	(11,238)	—	(84,160)	(12,450)	(107,848)	(81,102)
Payments Made for Program Expense	(1,048,764)	(3,141,171)	(1,294)	(11,300)	(4,202,529)	(654,757)
Other Receipts	340	—	—	1,351	1,691	49,250
Other Payments	(9,284)	—	(181)	(665)	(10,130)	(12,599)
Net Cash Provided (Used) by Operating Activities	<u>324,190</u>	<u>(419,058)</u>	<u>(84,794)</u>	<u>(3,408)</u>	<u>(183,070)</u>	<u>91,509</u>
Cash Flows from Non-Capital Financing Activities:						
Loans Made to Outside Entities	—	—	—	32	32	—
Due to Other Funds	(13,275)	883	9	(13)	(12,396)	25,591
Due from Other Funds	—	—	—	122	122	(2,859)
Due from Component Units	—	—	—	—	—	(1)
Contributions and Intergovernmental	—	18,388	80,302	2,487	101,177	60
Transfers to Other Funds	(319,716)	(6,238)	—	(886)	(326,840)	(3,560)
Transfers from Other Funds	—	—	13,000	90	13,090	46
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(332,991)</u>	<u>13,033</u>	<u>93,311</u>	<u>1,832</u>	<u>(224,815)</u>	<u>19,277</u>
Cash Flows from Capital and Related Financing Activities:						
Interest Expense	—	—	—	24	24	(1,199)
Purchases and Construction of Capital Assets	(967)	—	(291)	(3,086)	(4,344)	(7,347)
Capital Lease Downpayment/Obligations	—	—	—	—	—	(1,945)
Financed Purchase Downpayment/Obligations	—	—	(2)	—	(2)	(7,908)
Disposal of Capital Assets	58	—	—	74	132	164
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(909)</u>	<u>—</u>	<u>(293)</u>	<u>(2,988)</u>	<u>(4,190)</u>	<u>(18,235)</u>
Cash Flows from Investing Activities:						
Proceeds from Sales and Investment Maturities	12,307	—	—	14,024	26,331	2,118,281
Purchase of Investments	—	—	(304)	(2,474)	(2,778)	(2,112,843)
Interest and Dividends Received	692	24,542	1,092	995	27,321	5,160
Investment Fees	—	—	—	—	—	(141)
Penalties and Other Receipts	—	—	1,151	—	1,151	—
Net Cash Provided (Used) by Investing Activities	<u>12,999</u>	<u>24,542</u>	<u>1,939</u>	<u>12,545</u>	<u>52,025</u>	<u>10,457</u>
Net Increase (Decrease) in Cash	3,289	(381,483)	10,163	7,981	(360,050)	103,008
Cash and Cash Equivalents, Beginning of Year	31,328	1,045,912	1,917	33,833	1,112,990	93,510
Cash and Cash Equivalents, End of Year	<u>\$ 34,617</u>	<u>\$ 664,429</u>	<u>\$ 12,080</u>	<u>\$ 41,814</u>	<u>\$ 752,940</u>	<u>\$ 196,518</u>
Reconciliation of Operating Income (Loss) to Net Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ 318,969	\$ (401,998)	\$ (104,245)	\$ (12,422)	\$ (199,696)	\$ 64,502
Depreciation/Amortization Expense	964	—	1,283	4,284	6,531	21,679
Changes in Assets and Liabilities:						
Accounts Receivable	(13,782)	(31,231)	(408)	415	(45,006)	(1,232)
Inventories	—	—	195	(133)	62	(712)
Deferred Outflows of Resources	1,015	—	6,882	(536)	7,361	7,181
Prepaid Items	—	—	—	—	—	13
Accounts Payable	1,245	14,171	(212)	616	15,820	(12,261)
Accrued Payroll	13	—	(1,067)	145	(909)	95
Unearned Revenue	186	—	7	(6)	187	4,976
Grand Prize Winner Liability	13,726	—	—	—	13,726	—
Claims Liability	—	—	—	2,725	2,725	(5,771)
Compensated Absences	98	—	328	180	606	459
Net OPEB Liability	65	—	507	18	590	429
Net Pension Liability	1,785	—	12,706	1,308	15,799	12,892
Deferred Inflows of Resources	(94)	—	(770)	(2)	(866)	(741)
Net Cash Provided (Used) by Operating Activities	<u>\$ 324,190</u>	<u>\$ (419,058)</u>	<u>\$ (84,794)</u>	<u>\$ (3,408)</u>	<u>\$ (183,070)</u>	<u>\$ 91,509</u>
Non-Cash Financing and Investing Activities:						
Capital Lease and Financed Purchase Issuance	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,123
Capital Asset Donations	—	—	34	—	34	23
Increase (Decrease) in Fair Value of Investments	2,339	—	17	135	2,491	2,222
Net Non-Cash Financing and Investing Activities	<u>\$ 2,339</u>	<u>\$ —</u>	<u>\$ 51</u>	<u>\$ 135</u>	<u>\$ 2,525</u>	<u>\$ 6,368</u>

The notes to the financial statements are an integral part of this statement.



*The **Fiduciary Funds** account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.*

Individual fund financial statements for pension (and other employee benefit) trust funds, private-purpose trust funds, and agency funds are presented as part of Supplementary Information.

STATE OF MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2020
(In Thousands of Dollars)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Agency Funds
ASSETS			
Cash and Cash Equivalents (Note 3)	\$ 8,848	\$ 17,269	\$ 70,457
Investments at Fair Value (Note 3):			
U.S. Government Securities	5,410,519	486	595,386
U.S. Agency Sponsored Securities	—	9,691	1,894
Repurchase	1,050,695	—	—
Stocks	485,032	112	14
Bonds	1,386,494	—	—
International Equities	635	—	—
Mutual and Index Funds	1,393,865	—	—
Limited Partnership	4,589,154	—	—
Other Investments	1,920,661	3,670	718
Invested Securities Lending Collateral (Note 3)	108,568	—	—
Assets Held in Escheat	—	20,145	—
Receivables:			
Accounts Receivable	216,513	59	531,652
Interest Receivable	216,377	12	561
Due From Other Funds	25,641	—	—
Inventories	—	1	—
Prepaid Expenses	591	—	—
Capital Assets:			
Software in Progress	4,878	—	—
Land	351	—	—
Buildings	4,567	—	—
Equipment	1,586	93	—
Software	4,032	100	—
Accumulated Depreciation/Amortization	(7,562)	(173)	—
Total Capital Assets, Net	<u>7,852</u>	<u>20</u>	<u>—</u>
Total Assets	<u>16,821,445</u>	<u>51,465</u>	<u>\$ 1,200,682</u>
DEFERRED OUTFLOWS OF RESOURCES (Note 15)	<u>943</u>	<u>392</u>	<u>\$ —</u>
LIABILITIES			
Accounts Payable	350,159	1,049	\$ 32
Obligations under Repurchase Agreements	3,434,908	—	—
Accrued Payroll	—	23	—
Due to Other Funds	62	—	—
Due to Other Entities	—	—	1,172,982
Due to Individuals	—	—	27,668
Securities Lending Obligation (Note 3)	114,948	—	—
Unearned Revenue (Note 1)	5,835	—	—
Claims Liability	4,966	—	—
Compensated Absences	744	49	—
Net OPEB Liability	9,250	551	—
Net Pension Liability	—	1,548	—
Total Liabilities	<u>3,920,872</u>	<u>3,220</u>	<u>\$ 1,200,682</u>
DEFERRED INFLOWS OF RESOURCES (Note 15)	<u>722</u>	<u>56</u>	<u>\$ —</u>
Net Position Restricted for Pension Benefits, OPEB, Deferred Compensation, and Other Purposes	<u>\$ 12,900,794</u>	<u>\$ 48,581</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds
Additions:		
Contributions:		
Employer	\$ 759,306	\$ —
Plan Member	149,245	—
Other	112,117	—
Total Contributions	<u>1,020,668</u>	<u>—</u>
Investment Earnings:		
Increase (Decrease) in Appreciation of Assets	(351,265)	626
Interest and Dividends	303,274	492
Securities Lending Income	734	—
Other Income	586,620	—
Total Investment Earnings	<u>539,363</u>	<u>1,118</u>
Less Investment Expenses:		
Investment Activity Expense	(73,174)	—
Securities Lending Expense	(540)	—
Total Investment Expense	<u>(73,714)</u>	<u>—</u>
Net Investment Earnings (Loss)	<u>465,649</u>	<u>1,118</u>
Unclaimed Property	—	39,693
Cost Reimbursement/Miscellaneous	3,457	12,638
Total Additions	<u>1,489,774</u>	<u>53,449</u>
Deductions:		
Benefits	1,359,855	—
Administrative Expenses	19,301	2,486
Program Distributions	83,230	50,241
Inactive-vested Buyout Payments	245	—
Service Transfer Payments	3,784	—
Depreciation/Amortization	247	12
Total Deductions	<u>1,466,662</u>	<u>52,739</u>
Change in Net Position	<u>23,112</u>	<u>710</u>
Net Position - Beginning of Year (Note 18)	<u>12,877,682</u>	<u>47,871</u>
Net Position - End of Year	<u>\$ 12,900,794</u>	<u>\$ 48,581</u>

The notes to the financial statements are an integral part of this statement.



*The **Component Units** account for all transactions relating to legally separate entities which, for reporting purposes, are a part of the State.*

Component Unit Financial Statements

Major

College and Universities

Non-Major

Non-Major proprietary component unit statements are found in the combining fund financial statements as part of Supplementary Information.

STATE OF MISSOURI
STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2020
(In Thousands of Dollars)

	College and Universities	Non-Major	Totals June 30, 2020
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 603,057	\$ 55,185	\$ 658,242
Investments	98,513	19,814	118,327
Invested Securities Lending Collateral	1,261	—	1,261
Receivables, Net	867,615	1,468	869,083
Inventories	56,282	1	56,283
Restricted Assets:			
Cash and Cash Equivalents	229,685	182	229,867
Investments	42,535	9,086	51,621
Receivables, Net	32,627	4,518	37,145
Deposits and Prepaid Expenses	34,593	593	35,186
Other Assets	1,215	—	1,215
Total Current Assets	<u>1,967,383</u>	<u>90,847</u>	<u>2,058,230</u>
Non-Current Assets:			
Investments	2,795,376	52,586	2,847,962
Receivables, Net	105,067	25,107	130,174
Restricted Assets:			
Cash and Cash Equivalents	26,617	8,289	34,906
Investments	1,691,576	3,666	1,695,242
Receivables, Net	1,125	21,305	22,430
Other Assets	12,826	—	12,826
Capital Assets, Net of Accumulated Depreciation/Amortization (Note 5)	5,592,100	62,698	5,654,798
Total Non-Current Assets	<u>10,224,687</u>	<u>173,651</u>	<u>10,398,338</u>
Total Assets	<u>12,192,070</u>	<u>264,498</u>	<u>12,456,568</u>
DEFERRED OUTFLOWS OF RESOURCES (Note 15)			
	<u>696,935</u>	<u>836</u>	<u>697,771</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	1,073,205	308	1,073,513
Due to Primary Government (Note 16)	—	11	11
Securities Lending Obligation	1,261	—	1,261
Unearned Revenue (Note 1)	144,192	—	144,192
Deposits	1,707	—	1,707
Claims Liability (Note 22)	46,867	—	46,867
Compensated Absences	76,317	90	76,407
Capital Lease Obligations (Note 6)	11,972	—	11,972
Bonds/Notes/Financed Purchases Payable (Note 12)	127,594	552	128,146
Total Current Liabilities	<u>1,483,115</u>	<u>961</u>	<u>1,484,076</u>
Non-Current Liabilities:			
Accounts Payable and Accrued Liabilities	73,750	—	73,750
Advance from Primary Government (Note 16)	—	108	108
Unearned Revenue (Note 1)	15,740	704	16,444
Deposits and Reserves	503	7,067	7,570
Claims Liability (Note 22)	46,347	—	46,347
Compensated Absences	40,606	75	40,681
Capital Lease Obligations (Note 6)	79,093	—	79,093
Asset Retirement Obligation (Note 24)	62,433	—	62,433
Bonds/Notes/Financed Purchases Payable (Note 12)	2,341,489	13,020	2,354,509
Net OPEB Liability	395,807	746	396,553
Net Pension Liability	2,096,881	3,445	2,100,326
Total Non-Current Liabilities	<u>5,152,649</u>	<u>25,165</u>	<u>5,177,814</u>
Total Liabilities	<u>6,635,764</u>	<u>26,126</u>	<u>6,661,890</u>
DEFERRED INFLOWS OF RESOURCES (Note 15)			
	<u>174,193</u>	<u>576</u>	<u>174,769</u>
NET POSITION			
Net Investment in Capital Assets	3,188,345	49,090	3,237,435
Restricted for:			
Expendable	623,750	—	623,750
Non-Expendable	1,313,405	—	1,313,405
Other Purposes	—	106,363	106,363
Unrestricted	953,548	83,179	1,036,727
Total Net Position	<u>\$ 6,079,048</u>	<u>\$ 238,632</u>	<u>\$ 6,317,680</u>

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION/STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	College and Universities	Non-Major	Totals June 30, 2020	Adjustments	Statement of Activities
Revenues:					
Operating Revenues:					
Licenses, Fees, and Permits	\$ —	\$ 2,420	\$ 2,420	\$ —	\$ 2,420
Student Tuition and Fees (Net of Scholarship Allow.)	971,383	—	971,383	—	971,383
Sales and Services of Educational Departments	41,286	—	41,286	—	41,286
Auxiliary Enterprises	2,067,729	—	2,067,729	—	2,067,729
Leases and Rentals	—	5,395	5,395	—	5,395
Cost Reimbursement/Miscellaneous	104,874	225	105,099	57,771	162,870
Total Charges for Services					3,251,083
Federal Appropriations, Grants, and Contracts	224,018	—	224,018	240,098	464,116
State Grants and Contracts	118,823	—	118,823	672,188	791,011
Private Gifts, Grants, and Contracts	97,694	—	97,694	104,531	202,225
Additions to Endowments	1,056	—	1,056	47,954	49,010
Total Operating Grants and Contributions					1,506,362
Interest Revenue	—	1,648	1,648	(1,648)	
Total Operating Revenues	3,626,863	9,688	3,636,551	1,120,894	
Expenses:					
Operating Expenses:					
Personal Service	3,094,293	2,440	3,096,733	—	3,096,733
Operations	—	3,922	3,922	—	3,922
Specific Programs	—	3,060	3,060	—	3,060
Scholarships and Fellowships	183,511	—	183,511	—	183,511
Utilities	31,661	—	31,661	—	31,661
Supplies and Other Services	1,261,318	—	1,261,318	—	1,261,318
Contracted Services	30,845	—	30,845	—	30,845
Interest Expense	—	—	—	90,399	90,399
Depreciation/Amortization	326,452	2,267	328,719	—	328,719
Miscellaneous	30,083	114	30,197	2,260	32,457
Total Operating Expenses	4,958,163	11,803	4,969,966	92,659	5,062,625
Operating Income (Loss)	(1,331,300)	(2,115)	(1,333,415)	1,028,235	
Non-Operating Revenues (Expenses):					
Federal Appropriations, Grants, and Contracts	240,098	—	240,098	(240,098)	—
State Appropriations, Grants, and Contracts	672,188	—	672,188	(672,188)	—
Private Gifts, Grants, and Contracts	104,531	—	104,531	(104,531)	—
Contributions and Intergovernmental	—	2,630	2,630	—	2,630
Total Unrestricted Grants and Contributions					2,630
Investment Earnings:					
Increase (Decrease) in the Fair Value of Investments	(62)	290	228	—	228
Investment and Endowment Income (Loss)	56,313	—	56,313	—	56,313
Interest	—	2,304	2,304	1,648	3,952
Interest and Bond Related Expenses	(89,926)	(473)	(90,399)	90,399	—
Gain (Loss) on Sale of Capital Assets	(2,189)	—	(2,189)	2,189	—
Contributions to Others	—	(14)	(14)	—	(14)
Miscellaneous Revenues (Expenses)	57,771	(71)	57,700	(57,700)	—
Total Unrestricted Investment Earnings					60,479
Total Non-Operating Revenues (Expenses)	1,038,724	4,666	1,043,390	(980,281)	
Income Before Other Revenues (Expenses) Or Gains (Losses)					
	(292,576)	2,551	(290,025)	47,954	
State Capital Appropriations	64,204	—	64,204	—	64,204
Total Capital Grants and Contributions					64,204
Additions to Endowments	47,954	—	47,954	(47,954)	—
Change in Net Position	(180,418)	2,551	(177,867)	—	(177,867)
Net Position - Beginning of Year (Note 18)	6,259,466	236,081	6,495,547	—	6,495,547
Net Position - End of Year	\$ 6,079,048	\$ 238,632	\$ 6,317,680	\$ —	\$ 6,317,680

The notes to the financial statements are an integral part of this statement.



The Notes to the Financial Statements provide a summary of significant accounting policies and other disclosures required for a fair presentation of the basic financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

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STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies

A. Financial Statements and Reporting Entity

The accompanying financial statements of the State of Missouri (primary government) and its component units have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The financial statements include the departments, agencies, boards, commissions, and other organizational units over which the State has financial accountability. GASB set forth the following criteria in Statement No. 14, *The Financial Reporting Entity*, for determining financial accountability: appointment of a voting majority of an organization's governing body and either: 1) the ability to impose the State's will on the organization; or 2) the organization's ability to provide specific benefits to, or impose specific burdens on, the primary government. Where the State does not appoint a voting majority of the governing body, the entity would still be included if it is fiscally dependent on the State. Statement No. 39, *Determining Whether Certain Entities are Component Units*, added a requirement to include all entities whose relationship with the State would make it misleading to exclude it. Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, improves financial reporting by amending GASB Statement No. 14, *The Financial Reporting Entity*, and Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, in blending component units: 1) if there is a financial benefit or burden relationship with the primary government; 2) management of the primary government has operational responsibility for the component unit's activities; and 3) if the total outstanding debt is expected to be repaid entirely or almost entirely with the resources of the primary government. GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*, requires component units to be blended if they are incorporated as not-for-profit corporations and the primary government is the sole corporate member.

In addition to the legislative, executive, and judicial branches, the following organizations are included in these financial statements:

Component Units (Blended):

Blended component units are legally separate entities from the State, but are so intertwined with the State that they are, for all practical purposes, the same as the State. They are reported as part of the primary government and blended into the appropriate funds. The following component units are blended because they provide services entirely or almost entirely to the primary government:

Governmental Funds:

Board of Fund Commissioners – The Board was created by state law and is comprised of the Governor, Lieutenant Governor, Attorney General, State Treasurer, and the Commissioner of Administration. The Board's purpose is to issue, redeem, and cancel state general obligation bonds and perform other administrative activities related to state general obligation debt as assigned by law. Separate financial statements are not required or issued for the Board.

Board of Private Investigator and Private Fire Investigator Examiners – The Board was created by state law and is charged with the licensure and regulation of the practice of private investigators and private fire investigators in Missouri. The seven member board shall consist of three private investigators, two private fire investigators, and two public members, appointed by the Governor. The Board is appointed by the primary government. It is therefore considered a blended special revenue fund and shown in the financial statements as part of the primary government.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Coordinating Board for Early Childhood – The Board was created by state law within the Missouri Children’s Services Commission. The Board’s purpose is to develop a comprehensive statewide long-range strategic plan for a cohesive early childhood system, and to work with public and private entities for the purpose of promoting and improving the development of Missouri’s children from birth through age five. The 17 member Board is composed of representatives from the Governor’s Office; the following departments: Health and Senior Services, Mental Health, Social Services, and Elementary and Secondary Education; the judiciary; the Family and Community Trust Board; the Head Start Program; and nine members appointed by the Governor. The majority of the board members are appointed by the primary government and, therefore, separate financial statements are not required for the Board.

Missouri State Penitentiary Redevelopment Commission – The Commission was established to coordinate the planning and redevelopment of the old Jefferson City Correctional Center. The ten member commission consists of three members appointed by the Jefferson City mayor, three members appointed by the Cole County Commission, and four members appointed by the Governor. The majority of the board members are appointed by the primary government. Therefore, it is considered a blended special revenue fund and is shown in the financial statements as part of the primary government.

Internal Service Funds:

Board of Public Buildings – This is reported with the State Facility Maintenance and Operation Fund. The Board was created by state law and its governing body is made up of the Governor, the Lieutenant Governor, and the Attorney General. Its purpose is to provide state buildings by issuing revenue bonds and to supervise the operations of these facilities. All construction contracts must be approved by the Division of Facilities Management, Design and Construction, and its projects must be approved by the General Assembly. The Board can require state agencies to occupy its projects. The General Assembly appropriates to the Board, on behalf of the state agencies, amounts sufficient to pay the principal and interest on the bonds and pay the costs of operations.

Conservation Employees’ Insurance Plan – The Plan provides health and life insurance coverage to eligible employees and retirees of the Missouri Department of Conservation. The Plan is administered by a five member board of trustees made up of three members of the Plan appointed by the Conservation Commission which consist of two Conservation employees and Division Chief, the Chief Financial Officer, and the Human Resources Division Chief. Copies of the Plan’s financial statements may be requested from:

Missouri Department of Conservation
P.O. Box 180
Jefferson City, Missouri 65102

Transportation Self-Insurance Plan – The Plan provides fleet vehicle liability, workers’ compensation, and general liability insurance. The Plan is administered by the Missouri Department of Transportation. Additional information may be requested from:

Missouri Department of Transportation
Financial Services Division
P.O. Box 270
Jefferson City, Missouri 65102

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Missouri State Employee's Insurance Plan – The Plan was created to provide basic life insurance to eligible members and is administered through the Missouri State Employees' Retirement System (MOSERS). Death benefits, optional life insurance, and long-term disability benefits are also provided by the Plan for certain members. Copies of the System's financial statements may be requested from:

Missouri State Employees' Retirement System
P.O. Box 209
Jefferson City, Missouri 65102-0209

Missouri Consolidated Health Care Plan (MCHCP) – The Plan was created by state law to provide medical benefits to its members and is administered by a board of trustees. The Board consists of two members of the Senate; two members of the House; three members appointed by the Governor; the Director of the Department of Health and Senior Services; the Director of the Department of Commerce and Insurance; the Commissioner of Administration; two members of the system who are current employees; and one member of the system who is a retiree. The management of MCHCP is the responsibility of the Executive Director who is appointed by the Board. Copies of the Plan's financial statements may be requested from:

Missouri Consolidated Health Care Plan
P.O. Box 104355
832 Weathered Rock Court
Jefferson City, Missouri 65110-4355

MoDOT/MSHP Medical and Life Insurance Plan – The Plan provides health and life insurance coverage to eligible employees, retirees, and their dependents of the Missouri Department of Transportation (MoDOT) and the Missouri State Highway Patrol (MSHP). The Plan is administered by a board of trustees consisting of four active MoDOT employees, one retired MoDOT employee appointed by the Director of MoDOT, two active MSHP employees, and one retired MSHP employee appointed by the Superintendent of MSHP. Additional information may be requested from:

Missouri Department of Transportation
Financial Services Division
P.O. Box 270
Jefferson City, Missouri 65102

Pension (and other employee benefit) trust funds:

Missouri State Employees' Retirement System (MOSERS) – The System was created by state law and provides retirement, survivor, and disability benefits to its members and is administered by a board of trustees. The Board consists of two members of the Senate, two members of the House, two members appointed by the Governor, three members elected by the System's members, the State Treasurer, and the Commissioner of Administration. The management of MOSERS is the responsibility of the Executive Director who is appointed by the Board. The MOSERS Board of Trustees also oversees the State's Deferred Compensation Plan which is administered by a third party. Copies of the System's financial statements may be requested from:

Missouri State Employees' Retirement System
P.O. Box 209
Jefferson City, Missouri 65102-0209

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) – The System provides retirement, survivor, and disability benefits to qualified employees of the Missouri Department of Transportation, uniformed and non-uniformed members of the Missouri State Highway Patrol, and MPERS staff. The System is administered by a board of trustees consisting of three members of the Missouri Highways and Transportation Commission, the Director of the Missouri Department of Transportation, the Superintendent of the Missouri State Highway Patrol, one member of the Senate, one member of the House, one member elected by MoDOT employees, one member elected by the Missouri State Highway Patrol employees, one retired member elected by retired MoDOT employees, and one retired member elected by retired Missouri State Highway Patrol employees. Copies of the System's financial statements may be requested from:

Missouri Department of Transportation and
Highway Patrol Employees' Retirement System
P.O. Box 1930
Jefferson City, Missouri 65102-1930

Missouri Consolidated Health Care Plan (MCHCP) State Retiree Welfare Benefit Trust – The Trust was established on June 27, 2008, to provide health and welfare benefits for the exclusive benefit of current and future retired employees of the State and their dependents who meet eligibility requirements, except those covered by other State sponsored post-employment benefit plans. The Trust is administered by the MCHCP board of trustees, which also administers the benefits for the active participants of the Plan. The net position and activity related to active participants are reported in an internal service fund. Copies of the Plan's financial statements may be requested from:

Missouri Consolidated Health Care Plan
P.O. Box 104355
832 Weathered Rock Court
Jefferson City, Missouri 65110-4355

Missouri State Public Employees' Deferred Compensation Plan – The Missouri State Public Employees' Deferred Compensation Plan is administered by ICMA-RC and oversight of the Plan is provided by the MOSERS board of trustees. Under this Plan, employees are permitted to defer a portion of their current salary until future years. In addition, eligible employees have the opportunity to participate in the Missouri State Employees' Deferred Compensation Incentive Plan. Under this Plan, the State contributes \$25, \$30, or \$35 per month on behalf of any employee who contributes at least that amount to the Missouri State Public Employees' Deferred Compensation Plan and who has been an employee of the State for at least one year. However, due to budget constraints, the State's contribution amount was suspended in March 2010. Copies of financial statements for both Plans may be requested from:

Plan Administrator
c/o MOSERS
P.O. Box 209
Jefferson City, Missouri 65102-0209

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Component Units (Discretely Presented):

Discretely presented component units are legally separate entities for which the State is financially accountable. The financial data for these entities is reported separately from the financial data of the primary government.

Major

College and Universities - The Coordinating Board for Higher Education has certain responsibilities for these institutions and they receive State support. Following are the public college and universities included in the financial statements:

Harris-Stowe State University
3026 Laclede Avenue
St. Louis, Missouri 63103

Lincoln University
820 Chestnut Street
Jefferson City, Missouri 65102

Missouri Southern State University
3950 East Newman Road
Joplin, Missouri 64801-1595

Missouri State University
901 South National Avenue, Room 119
Springfield, Missouri 65897

Missouri Western State University
4525 Downs Drive
St. Joseph, Missouri 64507

Northwest Missouri State University
107 Administration Building
800 University Drive
Maryville, Missouri 64468-6001

Southeast Missouri State University
One University Plaza, Mail Stop 3200
Cape Girardeau, Missouri 63701

State Technical College of Missouri
One Technology Drive
Linn, Missouri 65051

Truman State University
Business Office
100 East Normal
Kirksville, Missouri 63501

University of Central Missouri
316 Administration Building
Warrensburg, Missouri 64093

University of Missouri System
118 University Hall
Columbia, Missouri 65211

Non-Major

Missouri Development Finance Board - The Board was created by state law as an independent, self-supporting, body corporate and politic to promote economic development of the State and was created within the Department of Economic Development. The Board is empowered to issue taxable, tax-exempt, and public purpose infrastructure industrial revenue bonds or notes; provide loans or loan guarantees to eligible businesses; provide loans and grants to political subdivisions to fund public infrastructure improvements; and issue tax credits against certain state income taxes in exchange for contributions made to the Board. The twelve member board is made up of the Lieutenant Governor and the Directors of the Department of Economic Development, the Department of Natural Resources, and the Department of Agriculture, who serve as ex-officio voting members, and eight members appointed by the Governor and confirmed by the Senate. Copies of the Board's financial statements may be requested from:

Missouri Development Finance Board
Governor Office Building
200 Madison Street, Suite 1000
Jefferson City, Missouri 65102

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Missouri Agricultural and Small Business Development Authority - The Authority was created by state law and is authorized to issue bonds to finance agricultural and small business development loans for property acquisitions/renovations and pollution control facilities throughout the State. If for any reason, the Authority ceases to exist, all rights and properties of the Authority will pass to the State. Its governing body consists of seven members appointed by the Governor with the advice and consent of the Senate. Copies of the Authority's financial statements may be requested from:

Missouri Agricultural and Small
Business Development Authority
P.O. Box 630
1616 Missouri Boulevard
Jefferson City, Missouri 65102

Missouri Transportation Finance Corporation - The Corporation is a not-for-profit corporation organized under the Missouri Nonprofit Corporation Law. The Corporation is financed by federal highway and transit dollars, plus state and local matching funds. It is authorized to issue revenue bonds. The Corporation provides loans to assist public and private entities to fund highway and transportation projects throughout the State. Missouri Transportation Finance Corporation's board determines which applicants are extended loans. Copies of the Corporation's financial statements may be requested from:

Missouri Transportation Finance
Corporation
P.O. Box 270
105 West Capitol Avenue
Jefferson City, Missouri 65102

Missouri Wine and Grape Board – The Board was created by state law to further growth and development of the grape growing industry in Missouri and foster the expansion of the grape market for Missouri grapes. The eleven member board consists of seven members representing the grape and wine industry, food service industry, or media marketing industry. The four other members include the director of the Department of Agriculture and the presidents of the Missouri Grape Growers Association, the Missouri Vintners Association, and the Missouri Wine Marketing and Research Council. Copies of the Board's annual report may be requested from:

Missouri Wine and Grape Board
P.O. Box 630
1616 Missouri Boulevard
Jefferson City, Missouri 65102

State Environmental Improvement and Energy Resources Authority – The Authority was created by state law and is authorized to finance, acquire, construct, and equip projects to reduce, prevent, and control pollution and develop the energy resources of the State. The Authority is governed by a five-member board appointed by the Governor with the advice and consent of the Senate. Copies of the Authority's annual report may be requested from:

State Environmental Improvement and
Energy Resources Authority
425 Madison Street
Jefferson City, Missouri 65101

Related Organizations

Related organizations are excluded from the financial reporting entity because the State's accountability does not extend beyond appointing a voting majority of the organization's board members. Related organizations of the State of Missouri include:

Missouri Health and Educational Facilities Authority – finances health and educational facilities.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Missouri Higher Education Loan Authority – provides a secondary market for loans made under the Federal Family Education Loan Program.

Missouri Housing Development Commission – finances the purchase, development or rehabilitation of affordable housing and funds housing assistance.

Missouri Technology Corporation – promotes the modernization of businesses through the development of science and technology applications.

Missouri Public Entity Risk Management Fund – provides liability protection to participating public entities, their officials, and employees.

Jackson County Sports Complex Authority – responsible for construction, operation, and financing of the Jackson County Sports Complex.

Kansas City Regional Sports Complex Authority – responsible for the study and review of all current major sports leagues, clubs, or franchises in Kansas City.

St. Charles County Convention and Sports Facility Authority – responsible for planning, constructing, and managing convention and sports facilities in the St. Charles area.

Missouri Cotton Growers' Organization – organized for boll weevil eradication.

Universal Service Board – organized to ensure just, reasonable, and affordable rates for comparable essential local telecommunication services throughout the State.

Interstate Commission for Adult Offender Supervision – responsible for promoting public safety and protecting the rights of victims through the control and regulation of the interstate movement of adults placed under community supervision.

Board of Trustees of the Missouri Mesothelioma Risk Management Fund – provides coverage of liabilities for participating employers relating to mesothelioma awards.

P-20 Council – organized to create a more efficient and effective education system that more adequately prepares students for the challenges of entering the workforce.

Missouri Propane Safety Commission – responsible for developing comprehensive plans and programs for the prevention, control, and abatement of propane-related accidents in Missouri.

Missouri Family Trust Board of Trustees – provides trust services for persons with disabilities.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements:

The government-wide financial statements focus on the government as a whole. The Statement of Net Position and Statement of Activities report information on all non-fiduciary activities of the primary government and its component units. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Governmental activities include governmental type funds and internal service funds. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services and consist of enterprise funds.

The Statement of Net Position presents the reporting entity's non-fiduciary assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Indirect costs, such as depreciation/amortization expense, are included in the direct expenses reported for individual functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenues.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when incurred. Fiduciary funds have been excluded from the government-wide financial statements because, by definition, the resources of these funds cannot be used to support government operations. Generally, interfund transactions have also been eliminated. Some interfund transactions, such as the exchange of services, were not eliminated because doing so would mistakenly understate both expenses of the buyer and revenues of the seller.

Fund Financial Statements:

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide statements. For governmental and proprietary fund financial statements, the emphasis is on major individual governmental and enterprise funds, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Internal service funds are also aggregated and reported in a separate column on the proprietary fund financial statements.

The governmental fund financial statements are presented using the current financial resources measurement focus and modified accrual basis of accounting. With the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to pay current period liabilities. Operating statements of governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance. Material revenues susceptible to accrual include federal grants and sales and income taxes. Expenditures are recognized when the related fund liability is incurred except for the following:

- Principal and interest on general long-term debt is recorded as an expenditure when due.
- Compensated absences (accumulated vacation and compensatory time) and sick pay are recorded as expenditures when paid.
- Inventories are reported as expenditures when purchased, except for the Missouri Road Fund, which updates inventory perpetually under the consumption method.

The proprietary, pension (and other employee benefit) trust, and private-purpose trust fund financial statements are presented using the economic resources measurement focus and accrual basis of accounting. With the economic resources measurement focus, assets, deferred outflows, liabilities, and deferred inflows associated with the operation of these funds are included on the Statement of Net Position. Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary fund-type operating statements present revenues and expenses in total net position. Operating revenues and expenses in proprietary funds are classified as those activities that make up the primary ongoing operations associated with those funds. Non-operating revenues and expenses in proprietary funds are classified as those activities that are deemed incidental or unusual for those funds.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. The agency fund financial statements are presented on the accrual basis of accounting.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

The discretely presented component unit financial statements are presented using the economic resources measurement focus and accrual basis of accounting with the following exception in regard to the college and universities. Revenues and related expenditures in connection with the summer sessions in progress at June 30 are deferred at that date.

The State reports the following major funds categories:

General Fund – accounts for all current financial resources not required by law or administrative action to be accounted for in another fund. Major revenues include contributions and taxes.

Public Education – provides general and special education needs of the State and other related areas such as library services and student loans. Major revenues include contributions and taxes.

Conservation and Environmental Protection – provides for the preservation of the State's wildlife and environment. Major revenues include contributions, taxes and licenses, fees, and permits.

Missouri Road Fund – accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system. Major revenues are from contributions.

State Lottery – accounts for proceeds from the sale of lottery tickets and all other moneys credited to this fund. A minimum of 45% of the moneys are used for prizes. Major revenues are from sales of lottery tickets.

Unemployment Compensation – accounts for contributions, payments, and federal loans collected under the provisions of the Unemployment Compensation Law to pay benefits. Major revenues include federal and employer contributions.

Missouri Veterans' Homes - accounts for fees to provide services for persons confined to one of the veterans' homes. Major revenues are from contributions and fees from services provided.

C. Basis of Presentation

The State's financial practices are based upon fund accounting concepts. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and fund balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The accompanying financial statements are structured into three categories of funds and discretely presented component units:

Primary Government:

Governmental Funds include the General Fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. These funds account for the revenues and expenditures, capital outlay, and certain debt service of the State.

Proprietary Funds include enterprise funds and internal service funds. These funds account for the cost of certain services provided by the State.

Fiduciary Funds include pension (and other employee benefit) trust funds, private-purpose trust funds, and agency funds. These funds account for assets held by the State in a trustee capacity or as an agent for individuals, other governments, and other entities.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Discretely Presented Component Units:

Major

College and Universities account for moneys from student tuition and fees, federal and state grants, debt proceeds, gifts and contributions, state appropriations, investments, and endowments. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are accounted for on the Statement of Net Position. Revenues, expenses, gains, and losses are reported on the Statement of Revenues, Expenses, and Changes in Net Position/Statement of Activities.

Non-Major

Non-Major Component Units account for moneys from bond proceeds, loans, contributions, gifts, grants, and other revenue sources. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are accounted for on the Statement of Net Position. Revenues, expenses, gains, and losses are reported on the Statement of Revenues, Expenses, and Changes in Net Position/Statement of Activities.

D. Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include bank accounts, petty cash, and all investments with an original maturity of 92 days or less, such as certificates of deposit, money market certificates, and repurchase agreements. Cash and cash equivalents on the Proprietary Funds Statement of Cash Flows are also reported under this definition. This definition excludes Fiduciary funds. Cash balances of most state funds are pooled and invested by the State Treasurer (see *Note 3*).

E. Investments

These are long-term investments with an original maturity greater than 92 days, which are expected to be held to maturity and redeemed at face value. The majority of investments are reported in pension (and other employee benefit) trust funds, however, investments are held in all fund types. Repurchase agreements held by the State Treasurer's Office are reported at amortized cost. The Missouri State Public Employees' Deferred Compensation Plan and the Missouri State Public Employees' Deferred Compensation Incentive Plan report their Stable Value Funds at contract value. The Missouri State Employees' Retirement System reports their cash equivalents at cost plus accrued interest. All other investments of the State are reported at fair value.

There are multiple funds that have income from investments which are directed to the General Fund. These funds consist of special revenue, enterprise, internal service, private-purpose, and agency funds.

F. Interfund Receivables/Payables

The State makes various transactions between funds or between the primary government and component units to distribute interest earnings, finance operations, provide services, and acquire capital assets. These receivables at June 30 are classified as "due from other funds" or "due from primary government/component units" on the Balance Sheet and Statement of Net Position. Payables are classified as "due to other funds" or "due to primary government/component units" on the Balance Sheet and Statement of Net Position (see *Note 16*). These receivables/payables are due within one year. Any receivables/payables that are due to and due from an enterprise fund are eliminated on the face of the Proprietary Funds Statement of Net Position. If any receivables/payables that remain after this elimination are both in the same activity (Governmental), they are eliminated at the Government-Wide Statement of Net Position. Interfund receivables/payables between the primary government and the component units or the fiduciary funds are reclassified as accounts receivable/payable at the government-wide level. Any remaining interfund receivables/payables are reported as internal balances on the Government-Wide Statement of Net Position.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

G. Advances to/from Other Funds

Long-term interfund receivables are classified as “advances to other funds” or “advances to primary government/component units” on the Balance Sheet and Statement of Net Position. Long-term interfund payables are classified as “advances from other funds” or “advances from primary government/component units” on the Balance Sheet and Statement of Net Position (see *Note 16*). These receivables/payables are eliminated if both the receivable and payable are in the same activity (Governmental). Advances to/from that are between the primary government and the component units are reclassified as accounts receivable/payable at the government-wide level. Any remaining long-term interfund receivables/payables are reported as internal balances on the Government-Wide Statement of Net Position.

H. Inventories

Inventories in the governmental funds consist of expendable supplies held for consumption, the cost of which is recorded as an expenditure at the time of purchase, except for the Missouri Road Fund, which updates inventory perpetually under the consumption method. Inventory balances for governmental funds are shown in the nonspendable fund balance classification. Inventories in the proprietary funds consist of both expendable supplies held for consumption and the cost of goods held for resale, the cost of which is recorded as an expense as they are used. Inventories are valued at cost using various methods such as moving average; weighted average; and first-in, first-out.

I. Capital Assets

Capital assets, which include construction in progress, software in progress, infrastructure in progress, land, land improvements, permanent and temporary easements, buildings and improvements, equipment, software, trademarks, and infrastructure assets, are valued at historical cost or estimated historical cost if actual historical cost is not available. The estimate of historical cost was based on current appraised value indexed to the date of acquisition. Donated capital assets are reported at estimated acquisition value at the time received. Capital assets acquired through lease agreements and financed purchases are capitalized at the inception of the agreement (see *Notes 5,6 and 12*).

Infrastructure assets (including highways, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items) are capitalized. Interest costs incurred during construction of capital assets are not capitalized.

The capitalization threshold for all capital assets is as follows: land improvements – \$15,000, buildings and improvements – \$15,000, software and trademarks – \$5,000, and equipment – \$1,000. No dollar threshold is set for land, easements, or infrastructure.

Capital assets are depreciated/amortized using the straight-line method of depreciation/amortization over the following useful lives: buildings – 40 to 50 years, land improvements and building improvements – 15 to 20 years, temporary easements – term of easement, equipment – 2 to 5 years, software – 3 to 5 years, trademarks – 10 years, and infrastructure – 12 to 50 years. Construction in progress, software in progress, infrastructure in progress, land, and permanent easements are not depreciated/amortized.

Most works of art and historical treasures are not capitalized or depreciated/amortized. The State’s non-capitalized collections include the historical artifacts at the various state museums and historical sites, monuments, and other art throughout the capitol grounds. Assets that were previously capitalized continue to be reported in the government-wide financial statements.

Component unit capital assets are stated at cost and are depreciated/amortized using the straight-line method of depreciation/amortization over the following useful lives: buildings – 40 years, land improvements and building improvements – 20 years, equipment – 5 to 15 years, and software – 3 to 5 years.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

J. Deferred Outflow of Resources and Deferred Inflow of Resources

In addition to assets, the Statement of Net Position/Balance Sheet may report a separate line item for deferred outflows of resources. Deferred outflows of resources consist of the decrease of net position by the State that is applicable to a future reporting period and will not be recognized as outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position/Balance Sheet may report a separate line item for deferred inflows of resources. Deferred inflows of resources consist of the increase of net position by the State that is applicable to a future reporting period and will not be recognized as inflow of resources (revenue) until then.

K. Unearned Revenues

Unearned revenues are amounts collected in advance of the year in which earned.

L. Long-Term Debt

Long-term liabilities that will be financed from governmental funds are not reported on the fund financial statements. However, the long-term liabilities are reported on the government-wide financial statements. The reconciliation between fund financial statements and government-wide financial statements includes a line item for the long-term liabilities of governmental funds. These long-term liabilities include the following:

1. Due to Other Entities includes outstanding principal on advances from other governments and contractual obligations to other governments. The expenditures are recorded in the appropriate governmental funds when the liability is paid (see *Note 11*).
2. Outstanding principal for general obligation debt. The expenditure for payment of principal and interest for general obligation debt is recorded in the debt service funds when paid (see *Note 12*).
3. Outstanding principal for bonds issued by the Board of Public Buildings, bonds issued by the Health and Educational Facilities Authority, the Regional Convention and Sports Complex Authority, the Missouri Development Finance Board, and the State Road Bonds issued by the Missouri Highways and Transportation Commission. The expenditure for payment of principal and interest for these bonds is recorded in the appropriate governmental funds when paid (see *Note 12*).
4. Bond premiums are deferred and amortized over the life of the bonds using the effective interest rate method in the government-wide financial statements. Bonds payable are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize bond premiums during the current period. Premiums on debt issuances are reported as other financing sources (see *Note 11*).

5. Obligations under leases and financed purchases reported include the present value of net minimum future lease payments, which will be paid from the General Fund, various special revenue funds, proprietary funds, and the Missouri Road Fund (see *Notes 6, 11, and 12*).
6. Pollution remediation liabilities are measured based on the pollution remediation outlays expected to be incurred to settle those liabilities. These liabilities include all remediation work that the State expects to perform, including work expected to be performed for other responsible parties or potentially responsible parties, whether or not the State is required to do that work. For goods or services used for pollution remediation activities, amounts that are normally expected to be liquidated with expendable available financial resources are recognized as liabilities upon receipt of those goods and services (see *Note 11 and 23*).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

7. Asset Retirement Obligations are measured based on the best estimate of the current value of outlays expected to be incurred. These liabilities include all legally enforceable amounts associated with the future retirement of a tangible capital asset. Liabilities and expenditures are recognized for goods and services used for asset retirement activities upon receipt of those goods and services (see *Note 24*).
8. Compensated absences include accumulated unpaid vacation and compensatory time accruals and related employer payroll taxes. These amounts are not accrued in the governmental funds, but are recorded as expenditures when paid (see *Note 11*).

Vacation leave is accumulated at a rate of 10 to 14 hours per month depending on the number of years of employment. Accumulated vacation leave cannot exceed twice the number of vacation hours earned annually. Compensatory time is accumulated as earned by an individual employee.

Sick leave is accumulated at a rate of 10 hours per month with no limit to the amount which can be accumulated. Accumulated sick leave is not paid upon employee termination and does not represent a liability of the State. However, unused sick leave may be converted to additional credited service upon retirement (usable only for benefit computation, not eligibility).

9. Claims and contingent liabilities include estimates of the risk of loss related to tort liability, general liability, motor vehicle liability, contractor liability, and injuries to employees. These liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. These losses include an estimate of claims that have been incurred, but not reported. Expenditures are recorded in the fund from which the liability is paid (see Notes 11, 22, and 25).
10. The State provides postemployment health care (OPEB) and life insurance benefits to the majority of employees who either retire from the State or receive long-term disability benefits. These benefits are administered by the Missouri Consolidated Health Care Plan (MCHCP), the Missouri State Employees' Retirement System (MOSERS), the MoDOT/MSHP Medical and Life Insurance Plan (MHPML), and the Conservation Employees' Insurance Plan (CEIP). MCHCP is a cost-sharing multiple-employer defined benefit plan, while MHPML and CEIP are single-employer defined benefit plans. Health care benefits and MOSERS life insurance benefits are funded through both employer and employee contributions. The University of Missouri's OPEB plan is a single-employer defined benefit plan for all qualified employees.

For the purposes of measuring the total/net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from have been recognized on the same basis as they are reported by the plans. Employer contributions are recognized as revenue and reported when due and payable. Benefits are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value (see *Note 8*).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

11. The State has two major retirement systems which cover substantially all State employees and a retirement plan for University of Missouri employees. These systems are the Missouri State Employees' Retirement System (MOSERS) and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS). The Missouri State Employees' Plan (MSEP) is a cost-sharing multiple employer defined benefit public employee retirement plan administered by MOSERS. MOSERS also administers the Judicial Plan, a single-employer defined benefit public employee retirement plan. MPERS is a single-employer defined benefit public employee retirement plan. The University of Missouri Retirement, Disability, and Death Benefit Plan is a single-employer defined benefit plan for all qualified employees.

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 and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported. 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 (see *Note 7*).

Long-term liabilities of all proprietary, pension (and other employee benefit) trust, and private-purpose trust funds are accounted for in the respective funds.

M. Net Position and Fund Balance

The difference between fund assets, deferred outflows, liabilities, and deferred inflows is reported as "Net Position" on the government-wide, proprietary, fiduciary, and component unit fund statements and "Fund Balance" on the governmental fund financial statements.

Net Position is reported in three categories:

Net Investment in Capital Assets – An account used to segregate the portion of net position attributable to capital assets and related debt. It consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributed to acquisition, construction, or improvement of those assets.

Restricted Net Position – An account used to segregate the portion of net position that have constraints on their use, which are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through enabling legislation.

Enabling legislation authorizes the State to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. At June 30, 2020, net position restricted by enabling legislation equaled \$592,360,000 for governmental activities.

Unrestricted Net Position – An account used to segregate the portion of net position that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available for use, generally the State uses restricted resources first, then unrestricted resources as they are needed. However, there may be instances in which restricted funds may only be spent in proportion to unrestricted funds spent.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

Governmental Fund Balance Classifications

The State's fund balances are classified as:

Nonspendable – Amounts that are not expected to be converted to cash or amounts that are legally or contractually required to be maintained intact.

Restricted – Amounts that are restricted for specific purpose due to constraints that are externally imposed by creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the legislature. Committed amounts cannot be used for other purposes unless the General Assembly passes legislation to remove the restraints.

Assigned – Amounts that are constrained by the legislature's intent to be used for a specific purpose, but do not meet the criteria for restricted or committed. The constraint for assigned fund balance is established by the Revised Statutes of the State of Missouri.

Unassigned – Amounts that do not meet the criteria of any of the classifications listed above.

Negative Fund Balance

A negative fund balance is prohibited in all fund balance classifications except Unassigned. When a negative fund balance exists, the shortfall would be covered by the next fund balance classification for that specific purpose.

N. Interfund Transactions

During the fiscal year, the State incurs various transactions between funds, including expenditures and transfers of resources to distribute interest earnings, finance operations, provide services, service debt, and acquire capital assets. Interfund transactions consist of these three types:

1. Transactions that would be treated as revenues or expenditures/expenses, if they involved organizations external to the State, are similarly treated when involving other funds of the State. Major transactions that fall into this category include payments to internal service funds from other funds for services rendered and to agency funds for contributions for employee benefits.
2. Transactions that reimburse another fund for an expense reduce the expenses of the fund that is being reimbursed and increase the expenses for the fund doing the reimbursement. Therefore, they are not shown on the face of the statements.
3. Operating subsidies and transfers from funds receiving revenues to funds through which the resources are to be expended are classified as transfers (see *Note 17*). These transactions are eliminated on the face of the financial statements if the transfer in and transfer out are either both in governmental funds or both in enterprise funds. Of the remaining transfers, any transfers in and transfers out that are within the governmental activities are eliminated at the Government-Wide Statement of Activities.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1 - Significant Accounting Policies (cont.)

O. Property Taxes

Presently there is a state property tax of three cents on each hundred dollars assessed valuation on all real estate and personal property. The tax collected is deposited into the Blind Pension Fund, which is a component of social assistance.

Property taxes in Missouri are levied by October 31 of each year on assessed valuation as of January 1 of that year. Property taxes are due and payable by December 31 and penalties on unpaid taxes are imposed after that date. Assessed values are established by each county assessor's office and are calculated as a percent of market value except for agricultural land which is calculated on productive capability. The percentage for real property varies according to use: residential at 19%, commercial at 32%, and agricultural at 12%. Personal property is assessed according to type with the majority at 33 1/3% of market value.

Note 2 - Reporting Changes and Classifications

The State of Missouri implemented the following new accounting standards issued by the Governmental Accounting Standards Board (GASB) for the fiscal year ending June 30, 2020:

- GASB 84, *Fiduciary Activities*, changes the definition and reporting of fiduciary activities. The State as a whole plans to implement this statement during fiscal year 2021. However, one of the discretely presented component units, the University of Missouri, and the department-wide financial statements provided by the Missouri Department of Transportation for the Missouri Road Fund early implemented during fiscal year 2020. Please reference the separately presented audited financial statements of these entities for more information.
- A portion of GASB Statement No. 92, *Omnibus 2020*, which addresses the following:
 - When accounting for risk financing and insurance-related activities of public entity risk pools, amounts that (a) are recoverable from reinsurers or excess insurers and (b) relate to paid claims and claim adjustment expenses may be reported as reductions of expenses but are not required to be.
 - The terms derivative and derivatives in National Council on Governmental Accounting and GASB pronouncements should be replaced with derivative instrument and derivative instruments, respectively.

Implementation of this statement did not have any impact on the financial statements.

- GASB Statement 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, extended the effective dates of some of the GASB pronouncements that were scheduled to be implemented for Fiscal Year 2020. Therefore, several GASB statements that were intended to be implemented during fiscal year 2020 will not be implemented until fiscal year 2021.
- A portion of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The portion implemented addresses instances when a legally separate organization does not have a governing board. This did not cause any entity changes for fiscal year 2020.
- Technical Bulletin No. 2020-1, *Accounting and Financial Reporting Issues Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Coronavirus Diseases*, provides guidance on the reporting requirements for resources received from certain programs established by the CARES Act. It also provides clarification on the presentation of certain inflows resulting from the CARES Act and outflows incurred in response to a coronavirus disease. This guidance is reflected in the financial statements.

The State of Missouri reclassified 2 funds for the fiscal year ending June 30, 2020. The Petroleum Storage Tank Insurance Fund was reclassified from a major fund to a non-major fund. The Missouri Veterans' Home Fund was reclassified from a non-major fund to a major fund.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments

The State Treasurer's Office maintains a cash and short-term investment pool that is used by substantially all state funds of the primary government. These funds do not include accrued interest. Certain organizational units are authorized to administer assets designated to their organization in a manner similar to the deposit and investment activities of the State as a whole. Summarized on the following page is the portfolio that represents the "Cash and Cash Equivalents," "Investments," "Restricted Assets – Cash and Cash Equivalents," and "Restricted Assets – Investments" as reported at June 30, 2020.

A. Deposits

The State minimizes custodial credit risk by restrictions set forth in state law and stipulations in the State Treasurer's Office Investment Policy. Custodial credit risk is risk that, in the event of the failure of a depository financial institution, the State will not be able to recover deposits or will not be able to recover collateralized securities that are in the possession of an outside party. Statutes restrict the State Treasurer's Office to deposit funds in financial institutions that are physically located in Missouri, which are selected based on financial stability and community involvement. The financial institution's loan to deposit ratio must exceed 50% at the time of deposit and deposits must be collateralized at least 100% in excess of FDIC coverage with approved securities. Deposits must have a maturity of five years or less and earn interest at varying rates based on State law.

Primary Government

At June 30, 2020, the bank balance of the primary government's deposits was \$1,551,358,000. Of the bank amount, \$54,220,000 was exposed to custodial credit risk by being uninsured and collateralized with securities held by the pledging financial institutions, \$652,334,000 was held by the U.S. Treasury, and the remainder was not exposed to custodial risk.

Fiduciary

At June 30, 2020, the bank balance of the deposits of the fiduciary funds was \$71,890,000.

Component Units

Information on the component units' deposits is available within their individual financial statements.

B. Investments

Statutes authorize the State Treasurer's Office to invest in U.S. Treasury or Agency securities maturing within five years, commercial paper and banker's acceptances maturing within 180 days, or in repurchase agreements maturing within 90 days secured by U.S. Treasury, or Agency securities of any maturity. There have been no violations of these investment restrictions during fiscal year 2020.

The State Treasurer's Office minimizes credit risk, the risk of loss due to the failure of the security issuer or backer, by establishing a pre-approved list of financial institutions and companies that will be used to purchase commercial paper. The State Treasurer's Office also conducts regular credit monitoring, pre-qualifies the financial institutions and brokers/dealers with which the State Treasurer's Office will do business for broker services and repurchase agreements, and diversifies the portfolio to reduce potential losses on individual securities.

Custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the State will not be able to recover the value of their investment or collateral securities that are in the possession of an outside party. The State Treasurer's Office minimizes custodial credit risk by requiring that all securities be held in the State's name at the State's custodial bank, Wells Fargo Bank, National Association, or at one of the State Treasurer's Office approved collateral custodians.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Primary Government

At June 30, 2020, the reported amount of the primary government's investments was \$5,723,376,000. Of this amount, \$194,132,000 was exposed to custodial credit risk because it was uninsured and unregistered with securities held by the State's counterparty.

Fiduciary

At June 30, 2020, the reported amount of the fiduciary funds investments was \$16,869,370,000.

Component Units

Information on the component units investments is available within their individual financial statements.

The following table (in thousands of dollars) provides information about the interest rate risks associated with the State's investments. Statutes also authorize investment of funds not held by the State Treasurer's Office. The externally-held internal service funds, the agency and pension (and other employee benefit) trust funds, and the component units, in accordance with statutory authority, invest primarily in U.S. government securities, repurchase agreements, preferred and common stocks, bonds, real estate, fixed income securities, mutual funds, and investments in limited partnerships. The investments include certain short-term cash equivalents, various long-term items, and restricted assets by maturity, or in certain instances, a weighted average maturity in years. The State Treasurer's Office minimizes the risk of the market value of securities falling due to changes in interest rates by maintaining an effective duration of less than 2.5 years, and holding at least 25% of the portfolio's total market value in securities with a maturity of 12 months or less.

	Maturity in Years					Total Fair Value *
	Less than 1	1-5	6-10	More than 10	No Maturity	
All Fund Types except Fiduciary Funds and Component Units:						
U.S. Treasury Securities	\$ 119,543	\$ 99,420	\$ 11,409	\$ 9,091	\$ —	\$ 239,463
U.S. Agency Securities	1,250,480	1,885,907	—	—	—	3,136,387
U.S. Government Guaranteed Mortgages	307	2,877	—	—	—	3,184
Collateralized Mortgage Obligations	186	3,993	—	—	—	4,179
U.S. Agency- Sponsored Securities	13,400	139,452	—	—	—	152,852
Repurchase Agreements	1,777,825	—	—	—	—	1,777,825
Stocks	—	—	—	—	7,561	7,561
Bonds	—	—	217	202	—	419
Certificates of Deposit	962	2,190	371	—	—	3,523
Mutual Funds	—	—	—	—	1,742	1,742
Commercial Paper	396,241	—	—	—	—	396,241
Subtotal	3,558,944	2,133,839	11,997	9,293	9,303	5,723,376

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

	Maturity in Years					Total Fair Value *
	Less than 1	1-5	6-10	More Than 10	No Maturity	
Fiduciary Funds:						
U.S. Government Securities	16,558	—	8,759	50,685	—	76,002
U.S. Treasury Securities	1,151,268	2,333,472	—	1,942,369	—	5,427,109
U.S. Agency Securities	341,261	39,660	23,395	70,703	—	475,019
U.S. Government Mortgage-Backed Securities	—	19,559	1,474	26,590	—	47,623
Repurchase Agreements	1,063,994	—	—	—	—	1,063,994
Stocks	—	—	—	—	485,159	485,159
Bonds	—	1,222,372	35,263	128,519	340	1,386,494
Commercial Paper	3,656	—	—	—	—	3,656
International Equities	—	635	—	—	—	635
Mortgages/ Real Estate	9,673	8,917	130	32,334	405,786	456,840
Asset-Backed Securities	—	10,632	83,032	195,070	—	288,734
Short-Term Securities	1,056,502	—	—	—	—	1,056,502
Mutual Funds	—	—	—	—	1,393,864	1,393,864
Alternatives/ Limited Partnership	—	—	—	—	4,589,153	4,589,153
Absolute Return	—	—	—	—	109,891	109,891
Other	—	—	—	—	8,695	8,695
Subtotal	3,642,912	3,635,247	152,053	2,446,270	6,992,888	16,869,370
Total Investments	<u>\$ 7,201,856</u>	<u>\$ 5,769,086</u>	<u>\$ 164,050</u>	<u>\$ 2,455,563</u>	<u>\$ 7,002,191</u>	<u>\$ 22,592,746</u>

*The State Treasurer's Office reports their repurchase agreements in the amount of \$1,739,000 at amortized costs. The Missouri State Public Employees Deferred Compensation Plan and the Missouri State Public Employees Deferred Compensation Incentive Plan reports their Stable Value Funds in the amounts of \$505,000 and \$360,000 respectively, at contract value. The Missouri State Employees' Retirement System reports their cash equivalents in the amount of \$815,000, at cost plus accrued interest.

The State minimizes concentration of credit risk, the risk attributed to the magnitude of an investment in a single issuer. State statute prohibits the State Treasurer's Office from investing more than 10% of the total time deposits with any single financial institution. State investment policy limits investment in commercial paper to 10% of the total portfolio per issuer and no more than 15% of the total portfolio may be invested in repurchase agreements with a single counterparty. Addendum A to the investment policy limits the total amount of linked deposits a financial institution may receive to 20% of the statutory cap set forth in Section 30.753.1 RSMo. There are no restrictions in the amount that can be invested in U.S. securities. During fiscal year 2020, the State did not have any instances of noncompliance with these requirements and policies.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Fair Value Measurement

The State of Missouri categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurements and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

- Level 1 – Unadjusted quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are unobservable.
- Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lower level input that is significant to the valuation. The State's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The State Treasurer's Office uses the market approach for the determination of the fair value of investments, except for repurchase agreements, which are measured at amortized costs.

Debt, equities, and investment derivatives classified in level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Debt securities and liabilities classified in level 2 have non-proprietary information that was readily available to market participants from multiple independent sources, which are known to be actively involved in the market. Pricing inputs may include market quotations, yields, maturities, call features, and ratings. A portion of the derivative securities classified in level 2 are securities whose values are derived daily from associated traded securities. Other investments listed as level 2 include debt securities where an independent pricing evaluator had direct observable information, including: trading volume, multiple sources of market data and benchmark spreads. FX forwards are included due to the valuation coming from observable forward rates on the underlying currencies. The equity index swap is included because valuation inputs include an observable interest rate and the underlying index.

Private equity securities classified at level 2 are valued at the price observed in subsequent market activity.

Investments listed as level 3 include debt securities where an independent pricing evaluator did not have direct observable information for comparable securities. Significant inputs used in the valuation are not available aside from the evaluator providing the price. Direct investments in private equity, real estate, credit, and real assets are included because the valuation techniques utilize discounted cash flows or other non-observable market information.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Investments Measured at Fair Value as of June 30, 2020 for the Primary Government (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities				
Repurchase Agreements	\$ 51,780	\$ 13,340	\$ 38,440	\$ —
Stocks	7,561	7,561	—	—
Mutual Funds	1,742	1,742	—	—
Total Equity Securities	61,083	22,643	38,440	—
Debt Securities				
U.S. Treasury Securities	239,463	40,281	199,182	—
U.S. Agency Securities	3,136,387	—	3,136,387	—
U.S. Government Guaranteed Mortgages	3,184	—	3,184	—
Collateralized Mortgage Obligations	4,179	—	4,179	—
U.S. Agency- Sponsored Securities	152,852	—	152,852	—
Bonds	419	419	—	—
Certificates of Deposit	3,523	2,806	717	—
Commercial Paper	396,241	—	396,241	—
Total Debt Securities	3,936,248	43,506	3,892,742	—
Total Primary Government Investments	\$ 3,997,331	\$ 66,149	\$ 3,931,182	\$ —

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Investments Measured at Fair Value as of June 30, 2020 for the Fiduciary funds (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Short Term Securities	\$ 246,239	\$ 246,239	\$ —	\$ —
Equity Securities				
Stocks	276,861	276,097	764	—
Mutual Funds	451,133	451,133	—	—
Real Estate	405,786	405,635	151	—
Other Investments	50,191	50,124	—	67
Total Equity Securities	1,183,971	1,182,989	915	67
Debt Securities				
U.S. Treasury Securities	5,478,609	5,421,179	52,057	5,373
U.S. Agency Securities	493,652	—	493,652	—
Commercial Paper	7	—	7	—
Certificates of Deposit	3,656	—	3,656	—
Collateralized Debt Obligations	286,986	—	103,196	183,790
Repurchase Agreements	1,050,000	—	1,050,000	—
Bonds and Asset Backed Securities	503,901	274	391,712	111,915
Non U.S Sovereign	635	—	635	—
Mortgage Backed Securities	96,492	—	74,803	21,689
Total Debt Securities	7,913,938	5,421,453	2,169,718	322,767
Private Markets*				
Private Equity	345,236	—	—	345,236
Real Estate	126,230	7,103	—	119,127
Real Assets	281,650	—	—	281,650
Opportunistic Debt	207,227	(15)	—	207,242
Total Private Markets	960,343	7,088	—	953,255

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Investments Measured at Fair Value as of June 30, 2020 for the Fiduciary funds (in thousands) (cont.):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment Derivative Instruments				
Future Contracts	\$ (2,479)	\$ (2,479)	\$ —	\$ —
Equity Swaps	758	—	758	—
Total Investment Derivative Instruments	(1,721)	(2,479)	758	—
Total Investments by Fair Value Level	<u>\$ 10,302,770</u>	<u>\$ 6,855,290</u>	<u>\$ 2,171,391</u>	<u>\$ 1,276,089</u>

Investments Measured at the Net Asset Value (NAV):

	Total
Active Hedge Funds	\$ 1,396,205
Commingled equity funds	1,066,578
Commingled fixed income funds	390,942
Commingled short-term investment funds	532,659
MOSERS investment portfolio fund	3,484
Missouri target date funds	949,162
Private equity funds	420,079
Private real estate and timber funds	117,909
Total investments Measured at NAV	<u>\$ 4,877,018</u>
Total Investments Measured at Fair Value	<u>\$ 15,179,788</u>
Other Obligations	
Reverse Repurchase Agreements	\$ 3,434,908
Total Other Obligations	<u>\$ 3,434,908</u>
Other Investments	
Reported at Contract Value	\$ 865,407
Total Other Investments	<u>\$ 865,407</u>

As of June 30, 2020, Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) has unfunded commitments in private markets investments consisting of \$107,781,000 in private equity, \$105,761,000 in real estate, \$118,521,000 in real assets, and \$200,878,000 in opportunistic debt.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Investments Measured at the Net Asset Value as of June 30, 2020, (in thousands):

Investments	Fair Value	Unfunded Commitments (U.S. Dollars)	Redemption Frequency (If currently eligible)	Redemption Notice Period (Days)
Active hedge funds				
Activist equity ¹	\$ 13,294	\$ —	Yearly, Every 3 Years	90
Equity long/short ²	14,260	—	Quarterly	45
Equity market neutral ³	91,420	—	Quarterly	90
Event driven ⁴	207,097	—	Semi-Annually for MOSERS; Monthly for MPERS	60-90
Fund-of-funds ⁵	359,251	—	Monthly	95
Global asset allocation ⁶	28,837	—	Monthly	5-60
In liquidation ⁷	13,810	—	N/A	N/A
Macro ⁸	155,202	—	Monthly, Quarterly	30
Merger arbitrage ⁹	138,968	—	Monthly	45
Multi-strategies ¹⁰	89,801	—	Quarterly for MOSERS; Monthly for MPERS	60-90
Risk premia ¹¹	65,801	—	Monthly	30
Quantitative ¹²	212,473	—	Monthly	30
Structured credit - relative value ¹³	5,991	—	Quarterly	60
Total active hedge funds	<u>1,396,205</u>	<u>—</u>		
Commingled equity funds ¹⁴	1,066,578	—	Daily, Monthly	2-30
Commingled fixed income funds ¹⁵	390,942	—	Daily	2
Commingled short-term investment funds ¹⁶	532,659	—	Daily	0
MOSERS investment portfolio fund ¹⁷	3,484	—	Monthly	None
Missouri target date funds ¹⁸	949,162	—	Daily	None
Private equity funds ¹⁹	420,079	350,639	N/A	N/A
Private real estate and timber funds ¹⁹	117,909	139,636	Daily for MPERS	90 days for MPERS
Total investments measured at NAV	<u>\$ 4,877,018</u>	<u>\$ 490,275</u>		

The following is a description of valuation methodologies used for assets recorded at fair value.

¹Activist equity – This value is 100% from MPERS. Consisting of one fund, this strategy focuses on obtaining publicly traded shares of companies and effecting changes within the companies that it owns whether that be value creation through operational, financial or corporate governance changes. The fund's focus is on European and Nordic companies. Due to contractual lock-up restrictions and the necessity for activist managers to retain capital in order to realize desired company changes, this strategy's investments are eligible for redemption on a rolling three-year basis.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

²Long/short equity hedge funds – This value is 100% from MPERS. Consisting of one fund, this strategy invests in both long and short in Asia Pacific equity securities, with a goal of adding growth and minimizing market exposure. Due to contractual lock-up restrictions, the value of these investments is eligible for redemption in the next six months.

³Equity market neutral hedge fund – This value is 100% from MOSERS. This consists of one fund whereby the strategy invests in both long and short in U.S. and global equity securities, with the goal of having little to no net market exposure. This investment is redeemable quarterly and is not subject to lockup restrictions.

⁴Event driven hedge funds – This value is 93.5% from MOSERS (with a redemption period of 60 days) and 6.5% from MPERS (with a redemption period of 90 days). Consisting of one fund for MOSERS and one fund for MPERS, this strategy seeks to gain an advantage from pricing inefficiencies that may occur in the onset or aftermath of a corporate action or related event. This investment is redeemable semi-annually and is not subject to lockup restrictions for MOSERS. Due to contractual lock-up restrictions, the value of this investment is eligible for redemption in the next four months for MPERS.

⁵Fund-of-funds – This value is 100% from MOSERS. Consisting of one fund, this fund seeks to provide diversification by holding a number of funds within a single fund structure. This investment is redeemable monthly, and is not subject to lock-up restrictions.

⁶Global asset allocation – This value is 100% from MPERS. Consisting of one fund, this strategy is highly diversified and uses fundamental research to develop systematic rules for trading positions. Due to contractual lock-up restrictions, the value of this fund is eligible for redemption in the next 35 days.

⁷Pending liquidated hedge funds – This value is 96.0% from MOSERS and 4.0% from MPERS. MOSERS has 11 hedge funds that have been fully redeemed as of June 30, 2020, which are awaiting final distribution of the proceeds. MPERS has a small investment in two hedge funds that are in liquidation and have been closed, and MPERS is awaiting the sale of the final assets.

⁸Macro hedge funds – This value is 100% from MOSERS. Consisting of two funds, this strategy seeks to take advantage of macroeconomic dislocations between countries by trading a number of different markets and financial instruments. These investments are redeemable monthly and quarterly, and are not subject to lock-up restrictions.

⁹Merger arbitrage hedge fund – This value is 100% from MOSERS. Consisting of one fund, this strategy invests in the common stock of companies that are involved in publicly announced mergers and seeks to generate attractive returns while dampening volatility. This investment is redeemable monthly, and is not subject to lock-up restrictions.

¹⁰Multi-strategy hedge fund – This value is 76.1% from MOSERS and 23.9% from MPERS. Consisting of one fund for MOSERS and two funds for MPERS, this strategy aims to pursue varying strategies in order to diversify risks and reduce volatility. These investments are redeemable quarterly, but is subject to lock-up restrictions for MOSERS. Due to lock-up restrictions, the value of these investments is eligible for redemption in the next six months for MPERS.

¹¹Risk premia hedge funds – This value is 100% from MOSERS. Consisting of one fund, this strategy seeks to capture hedge fund betas through the use of systematic, bottoms up security selection across major hedge fund strategies. Style premia such as value, momentum and carry help build the long/short portfolios. This investment is redeemable at least monthly, and is not subject to lock-up restrictions.

¹²Quantitative hedge funds – This value is 100% from MOSERS. Consisting of two funds, this strategy attempts to achieve uncorrelated returns using advanced statistical methods to select securities across liquid public markets. These investments are redeemable monthly, and are not subject to lock-up restrictions.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

¹³Structured credit – relative value – This value is 100% from MPERS. Consisting of one fund, this strategy's main focus is to benefit from valuation discrepancies that may be present in related financial instruments by simultaneously purchasing or selling these instruments. As of June 30, a full redemption has been requested and will be received over the next four quarters.

¹⁴Commingled equity funds – This value is 81.8% from MOSERS (with a redemption period of 2-10 days) and 18.2% from MPERS (with a redemption period of 0-30 days). These international equity funds (4 for MOSERS and 3 for MPERS) are considered to be commingled in nature. For MPERS, due to contractual lock-up restrictions, 65% of this capital is eligible for redemption in one month; the remaining 35% has daily liquidity.

¹⁵Commingled fixed income funds – This value is 100% from MOSERS. Two fixed income funds are considered to be commingled in nature. These investments are redeemable daily with a redemption period of 2 days.

¹⁶Commingled short-term investment funds – This value is 100% from MOSERS. Two short-term investment funds are considered to be commingled in nature. These investments are redeemable daily with a redemption period of 0 days.

¹⁷MOSERS Investment Portfolio (MIP) fund – This value is 85.7% from the Deferred Compensation Plan and 14.3% from the Deferred Compensation Incentive Plan. Participant transactions (purchases and sales) may occur monthly. The significant investment strategies are designed to achieve long-term total returns, comprised of capital appreciation and income. There are no unfunded commitments. There are generally no restrictions as to the redemption of these investments nor do the Plans have any contractual obligations to further invest in any of these funds.

¹⁸Missouri target date funds – This value is 78.8% from Deferred Compensation Plan and 21.2% from the Deferred Compensation Incentive Plan. Participant transactions (purchases and sales) may occur daily. The significant investment strategies of the funds are to seek the highest total return over time, consistent with the fund's asset mix. The asset allocations within these target date funds adjust automatically over time. Each fund invests more aggressively in its early years and becomes more conservative as it reaches its time horizon. There are no unfunded commitments. There are generally no restrictions as to the redemption of these investments nor are there any contractual obligations to further invest in any of these funds.

¹⁹Private equity, real estate and timber funds – This value is 85.1% from MOSERS and 14.9% from MPERS. MOSERS' private equity portfolio consists of 43 funds with exposure to buyout funds, distressed funds, infrastructure, energy, secondary, royalty funds, and special situations. The real estate portfolio, comprised of six funds, invests mainly in U.S. commercial real estate. The timber portfolio consists of one fund in liquidation which invests in global timberland. The fair values of the majority of these funds has been determined using net assets valued one quarter in arrears plus current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which, on average, can occur over the span of 5 to 10 years. MPERS invests in three core private real estate funds that are commingled in nature. While each of these funds have daily liquidity, due to contractual restrictions, MPERS has to give 90 days notification of withdrawals.

The State Treasurer's Office requires investments in commercial paper and bankers' acceptances to have the highest letter and numerical ranking (such as A1/P1) as rated by at least two Nationally Recognized Statistical Rating Organizations (NRSROs). The Treasurer does not have any additional policies regarding credit ratings of investments.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

The following table (in thousands of dollars) provides information on the credit ratings associated with the State's investments in debt securities.

	<u>Moody's</u>	<u>S & P</u>	<u>Fair Value</u>
Primary Government/Fiduciary:			
U.S. Government Securities	NR	NR	\$ 75,972
U.S. Treasury	Aaa	AA+	199,983
	Aaa	AAA	394,962
	Aaa	NR	651
	NR	NR	38,136
U.S. Agencies	Aaa	NR	30,684
	NR	AA	79,626
	NR	NR	14,472
U.S. Government Mortgage- Backed Securities	NR	NR	28,344
Bonds	A	NR	23,225
	A3	NR	135
	Aa1	NR	283
	NR	AAA	56,277
	NR	AA	974,205
	NR	A	124,309
	NR	BBB	180,912
	NR	BB	3,072
	NR	NR	34,519
Repurchase Agreements	Aaa	AA+	31,403
	Aaa	AAA	80,978
	Aaa	NR	13,340
	NR	NR	2,790,660
U.S. Agency-Sponsored Securities	Aaa	AA+	3,073,334
	Aaa	NR	1,574
	NR	AAA	15,015
	NR	NR	265,521

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

	<u>Moody's</u>	<u>S & P</u>	<u>Fair Value</u>
Asset-Backed Securities	NR	AAA	\$ 64,337
	NR	AA	75,631
	NR	A	9,337
	NR	BBB	966
	NR	BB	4,992
	NR	B	8,514
	NR	NR	124,956
Mutual Funds	3-STAR	NR	20,056
Certificates of Deposit	NR	NR	3,530
Commercial Paper	P-1	A-1+	399,897
Pooled Investments	NR	AAA	532,659
Implicit U.S. Agencies	NR	AA	330,883
U.S. Agency Securities	Aaa	AA+	2,292
U.S Government			
Guaranteed Mortgages	Aaa	AA+	3,184
	Aaa	NR	19,278
Collateralized Mortgage			
Obligations	Aaa	AA+	4,179
	Aaa	NR	8,917
Equities	A	NR	19,562
Equity Funds	NR	NR	1,453
Fixed Income	NR	NR	289
Stocks	NR	NR	7,575
Other	NR	AAA	3,991
	NR	AA	11,867
	NR	A	849
	NR	B	394
	NR	CCC	172
	NR	CC	131
	NR	D	648
	NR	NR	24,721
Total Rated Investments			<u>\$ 10,216,852</u>

NR = Not Rated.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The State Treasurer's Office does not have any deposits or investments in foreign currency and therefore does not have a policy regarding foreign currency risk. The Missouri State Employees' Retirement System and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System do have foreign currency deposits and investments which may be used for hedging purposes. The following table (in thousands of dollars) provides information on deposits and investments held in various foreign currencies, which are stated in U.S. dollars.

Currency	Investment Type					Total
	Cash	Equities	Fixed Income	Alternatives	Real Estate	
Australian Dollar	\$ 8,044	\$ 1,549	\$ 35	\$ —	\$ —	\$ 9,628
Brazilian Real	—	10,322	—	—	—	10,322
British Pound Sterling	1,175	74,166	23	—	6,228	81,592
Canadian Dollar	5,225	5,528	29	—	—	10,782
Chilean Peso	—	1,041	133	—	—	1,174
Chinese Yuan Renminbi	—	9,115	—	—	—	9,115
Colombian Peso	—	302	116	—	—	418
Czech Koruna	(1)	224	—	—	—	223
Danish Krone	—	3,338	—	—	—	3,338
Egyptian Pound	—	234	—	—	—	234
Euro	3,075	84,460	(385)	39	20,664	107,853
Hong Kong Dollar	(6,535)	90,618	—	—	—	84,083
Hungarian Forint	—	453	—	—	—	453
Indian Rupee	—	15,968	—	—	—	15,968
Indonesian Rupiah	—	2,979	—	—	—	2,979
Israeli Shekel	—	57	—	—	—	57
Japanese Yen	(4,033)	169,182	(110)	—	—	165,039
Malaysian Ringgit	—	3,514	—	—	—	3,514
Mexican Peso	—	4,714	—	—	—	4,714
New Zealand Dollar	—	61	—	—	—	61
Norwegian Krone	—	97	—	—	—	97
Pakistani Rupee	—	40	—	—	—	40
Philippine Peso	—	1,620	—	—	—	1,620
Polish Zloty	—	1,439	—	—	—	1,439
Qatari Riyal	—	1,600	—	—	—	1,600
Russian Ruble	—	4,727	117	—	—	4,844
Saudi Riyal	—	5,235	—	—	—	5,235
Singapore Dollar	—	10,797	—	—	—	10,797
South African Rand	(560)	14,198	—	—	—	13,638
South Korean Won	(2,423)	35,309	1,450	—	—	34,336
Swedish Krona	—	748	—	—	—	748
Swiss Franc	—	50,874	—	—	—	50,874
Taiwan New Dollar	—	40,493	—	—	—	40,493
Thai Baht	—	9,791	—	—	—	9,791
Turkish Lira	—	3,428	—	—	—	3,428
United Arab Emirates Dirham	—	1,068	—	—	—	1,068
Total	\$ 3,967	\$ 659,289	\$ 1,408	\$ 39	\$ 26,892	\$ 691,595

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

C. Securities Lending Program

Missouri State Employees' Retirement System:

The Missouri State Employees' Retirement System's (MOSERS) board of trustees' investment policies permit the pension trust funds to participate in a securities lending program. Fixed income, international equity and domestic equity securities of the pension trust funds are loaned to participating brokers who provide collateral in the form of cash, U.S. Treasury or government agency securities, or letters of credit issued by approved banks. Collateral must be provided in the amount of 102% of market value for domestic loans and 105% of market value for international loans. MOSERS does not have the authority to pledge or sell collateral securities without borrower default.

MOSERS had no securities lending activity in fiscal year 2020.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System:

In accordance with the investment policies set by the board of trustees, the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS), lends its securities to broker-dealers and banks pursuant to a form of loan agreement. MPERS custodial bank, Northern Trust, is authorized to lend available securities to approved broker-dealers and banks subject to the receipt of acceptable collateral.

MPERS may lend securities and receive cash, securities insured or guaranteed by the U.S. government or its agencies, and irrevocable bank letters of credit as collateral. MPERS cannot pledge or sell non-cash collateral unless a borrower defaults. Borrowers are required to deliver collateral for each loan equal to: 1) 102% of the fair value of the loaned securities plus any accrued interest in the case of loaned securities denominated in United States dollars or whose primary trading market is located in the United States, and 2) 105% of the fair value of the loaned securities plus any accrued interest in the case of loaned securities not denominated in United States dollars or whose primary trading market was not located in the United States.

MPERS did not impose any restrictions during the fiscal year on the amount of the loans that the custodial bank made on its behalf. There were no known failures by any borrowers to return loaned securities or pay distributions thereon during the year.

MPERS and borrowers maintained the right to terminate all securities lending transactions on demand. At June 30, 2020, the cash collateral fund had a fair value of \$108,568,000.

At June 30, 2020 and June 30, 2019, MPERS had earned \$194,000 and \$166,000, respectively, on the securities lending program.

Component Units:

Information on the component units securities lending program is available within their individual financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

D. Derivatives

Missouri State Employees' Retirement System:

While the Board has no formal policy specific to derivatives, Missouri State Employees' Retirement System (MOSERS), through its external investment managers, holds investments in futures contracts, swap contracts and forward foreign currency exchange. MOSERS does not anticipate additional significant market risk from the derivative arrangements. The forward foreign currency exchange contracts are used primarily to hedge against changes in exchange rates related to foreign equities. For the year ended June 30, 2020, the change in fair value of the foreign exchange contracts resulted in \$300,000 of investment loss. MOSERS could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. MOSERS anticipates that the counterparties will be able to satisfy their obligation as credit evaluations and credit limits are monitored by the investment managers. At June 30, 2020, MOSERS Foreign Currency Forward Contracts had a pending receivable of \$551,000 and a pending payable of \$550,000 resulting in a final asset of \$1,000.

The following table (in thousands of dollars) summarizes the various contracts in MOSERS portfolio as of June 30, 2020. The investments are reported at fair value and are included on the Statement of Fiduciary Net Position of the pension (and other employee benefit) trust funds.

Futures Contracts:

Notional Amount	Exposure
\$105,229	\$(2,479)

Swap Contracts:

Notional Amount	Counterparty Exposure
\$3,538,793	\$142,802

Foreign Currency
Forward Contracts:

Notional Amount	Exposure
\$1	\$1

Missouri Department of Transportation and Highway Patrol Employees' Retirement System:

MPERS has an investment policy which holds investments in future contracts, swap contracts, options contracts, and forward foreign currency exchange contracts. Derivative financial instruments involve credit risk and market risk. The notional value related to these derivative instruments are generally not recorded on the financial statements; however, the change in fair value of these instruments is incorporated in performance.

The following table (in thousands of dollars) summarizes the various contracts in MPERS portfolio as of June 30, 2020. The investments are reported at fair value and are included on the Statement of Fiduciary Net Position of the pension (and other employee benefit) trust funds.

Type	Notional/Fair Value	Unrealized Gain (Loss)
Futures Contracts	\$ 438,617	\$ (6,438)
Swap Contracts	144,907	(15,900)
Total	<u>\$ 583,524</u>	<u>\$ (22,338)</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 3 - Deposits and Investments (cont.)

Through the use of derivatives, MPERS is exposed to risk that the counterparties involved in the contracts are unable to meet the term of their obligation. MPERS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. MPERS anticipates the counterparties will be able to satisfy their obligations under the contracts. The associated counterparty's credit rating is an A+.

Component Units:

Information on the component units derivatives is available within their individual financial statements.

E. Assets Held in Escheat

The Unclaimed Property Division of the Missouri State Treasurer's Office holds unclaimed stocks, bonds, mutual fund positions, and other securities that have been turned over by their holders on behalf of the securities' owners. The State takes custody of these securities until the owner claims them or if unclaimed, liquidates them after 18 to 24 months. The State holds the securities in order to return them to their owners. The State does not report these securities as investments because they do not meet the Governmental Accounting Standards Board's definition of "investments". This is because the State does not hold the securities for income or profit, nor do the securities have a present service capacity for the State. A total of \$20,145,000 of these unclaimed securities is shown as "Assets Held in Escheat" on the private-purpose trust funds combining statement of fiduciary net position in Unclaimed Property.

Note 4 - Governmental Fund Balance

Fund Balance Classifications by Purpose – In the basic financial statements, the fund balance classifications are presented in the aggregate. The following displays the fund balances by major purpose (in thousands of dollars):

	Nonspendable	Restricted	Committed	Assigned
General Fund				
Inventories	\$ 24,987	\$ —	\$ —	\$ —
Loans Receivable	23,955	—	—	—
Consumer Protection	—	—	—	23,561
Budget Reserve	—	—	654,523	—
Education	—	713	7,170	21,450
Energy Programs	—	—	—	31,592
Forfeited Financial Instruments	—	—	—	1,465
Federal Government	—	597,015	—	—
Taxes	—	—	—	3,705
Other	—	950	374	18,275
Total	<u>\$ 48,942</u>	<u>\$ 598,678</u>	<u>\$ 662,067</u>	<u>\$ 100,048</u>
Public Education				
Inventories	\$ 145	\$ —	\$ —	\$ —
Loans Receivable	—	—	—	781
Education	—	232,296	1,697	19,058
Total	<u>\$ 145</u>	<u>\$ 232,296</u>	<u>\$ 1,697</u>	<u>\$ 19,839</u>
Conservation and Environmental Protection				
Inventories	\$ 276	\$ —	\$ —	\$ —
Loans Receivable	—	968	1,428,788	8,341
Conservation Commission	—	100,618	—	—
Environmental Conservation	—	29,288	495,196	103,964
State Parks	—	20,509	—	—
Forfeited Financial Instruments	—	—	—	1,185
Total	<u>\$ 276</u>	<u>\$ 151,383</u>	<u>\$ 1,923,984</u>	<u>\$ 113,490</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 4 - Governmental Fund Balance (cont.)

	Nonspendable	Restricted	Committed	Assigned
Missouri Road Fund				
Inventories	\$ 36,171	\$ —	\$ —	\$ —
Highways and Transportation	—	885,643	—	—
Total	<u>\$ 36,171</u>	<u>\$ 885,643</u>	<u>\$ —</u>	<u>\$ —</u>
Non-Major Special Revenue Funds				
Inventories	\$ 4,764	\$ —	\$ —	\$ —
Loans Receivable	—	—	—	2,158
Professional Boards and Licensure	—	—	15,147	31,833
Legal Assistance	—	20,635	9,969	8,141
Agriculture	—	6,147	412	6,904
Medical and Other Assistance	—	44,986	5,150	4,348
Transportation	—	63,150	—	151,479
Highway Patrol and Water Patrol	—	6,333	717	14,217
Workers' Compensation and Unemployment Compensation	—	76,172	—	—
Veterans' Homes	—	22,435	—	—
Other	—	20,216	7,631	22,712
Total	<u>\$ 4,764</u>	<u>\$ 260,074</u>	<u>\$ 39,026</u>	<u>\$ 241,792</u>
Non-Major Debt Service Funds				
General Obligation Bonds	\$ —	\$ 18,113	\$ —	\$ —
Fulton State Hospital	—	12,670	—	—
Missouri Road Bond	—	54,809	—	—
Total	<u>\$ —</u>	<u>\$ 85,592</u>	<u>\$ —</u>	<u>\$ —</u>
Non-Major Capital Projects Funds				
Board of Public Buildings-Education	\$ —	\$ 1,119	\$ —	\$ —
Board of Public Buildings-State Capitol	—	25,801	—	—
Board of Public Buildings-State Facility	—	1,102	—	—
Fulton State Hospital	—	5,037	—	—
State Historical Society	—	1,199	—	—
Total	<u>\$ —</u>	<u>\$ 34,258</u>	<u>\$ —</u>	<u>\$ —</u>
Non-Major Permanent Funds				
Arrow Rock State Historic Site Endowment	\$ 30	\$ —	\$ —	\$ —
Confederate Memorial Park	75	—	—	112
State Public School	62,660	—	—	—
Smith Memorial Endowment Trust	365	—	—	9
Total	<u>\$ 63,130</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 121</u>
A. Budget Reserve Fund				

The Budget Reserve Fund is established in Article IV, Section 27(a) of the Missouri Constitution. The Commissioner of Administration may transfer amounts from the Budget Reserve Fund to any other fund when necessary to meet the cash requirements of the State. However, the Budget Reserve Fund must be paid back with interest prior to May 16th of the fiscal year in which the transfer was made.

Budget stabilization expenditures may occur in a fiscal year in which the Governor reduces the expenditures of the State or any of its agencies below their appropriation or in which there is a budget need due to a natural disaster as proclaimed by the Governor to be an emergency. An appropriation from the Budget Reserve Fund may be granted by a two-thirds vote of the members elected to each House. The maximum amount which may be appropriated at any one time for budget stabilization purposes is one-half the sum of the balance of the Budget Reserve Fund and any amounts appropriated or otherwise owed to the fund, less all amounts owed to the fund for budget stabilization purposes but not yet appropriated for repayment to the fund. One-third of the amount expended or transferred from the Budget Reserve Fund for budget stabilization purposes plus interest shall stand appropriated to the Budget Reserve Fund during each of the next three fiscal years from the fund which received the budget stabilization appropriation. The balance of the Budget Reserve Fund at June 30, 2020, was \$654,523,000.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows (in thousands of dollars):

	*Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Governmental Activities:				
Capital Assets not being Depreciated/Amortized:				
Construction in Progress	\$ 395,538	\$ 86,306	\$ (251,448)	\$ 230,396
Software in Progress	82,808	24,072	(11,069)	95,811
Infrastructure in Progress	1,700,359	945,973	(763,914)	1,882,418
Land	3,087,175	5,740	(3,574)	3,089,341
Permanent Easements	4,420	1,912	—	6,332
Total Capital Assets not being Depreciated/Amortized	5,270,300	1,064,003	(1,030,005)	5,304,298
Capital Assets being Depreciated/Amortized:				
Land Improvements	228,760	1,251	(74)	229,937
Temporary Easements	524	1,258	(234)	1,548
Buildings and Improvements	3,450,620	246,931	(2,893)	3,694,658
Equipment	1,375,678	96,032	(64,032)	1,407,678
Software	297,809	16,003	(6,032)	307,780
Trademarks	17	—	—	17
Infrastructure	51,366,456	763,913	(85,583)	52,044,786
Total Capital Assets being Depreciated/Amortized	56,719,864	1,125,388	(158,848)	57,686,404
Less Accumulated Depreciation/Amortization for:				
Land Improvements	(128,086)	(4,716)	74	(132,728)
Temporary Easements	(251)	(256)	234	(273)
Buildings and Improvements	(1,990,465)	(100,615)	2,623	(2,088,457)
Equipment	(1,006,826)	(85,572)	58,788	(1,033,610)
Software	(197,722)	(18,873)	5,952	(210,643)
Trademarks	(16)	(2)	—	(18)
Infrastructure	(25,395,622)	(523,942)	71,552	(25,848,012)
Total Accumulated Depreciation/Amortization	(28,718,988)	(733,976)	139,223	(29,313,741)
Total Capital Assets being Depreciated/Amortized, Net	28,000,876	391,412	(19,625)	28,372,663
Governmental Activities Capital Assets, Net	\$ 33,271,176	\$ 1,455,415	\$ (1,049,630)	\$ 33,676,961
Business-Type Activities:				
Capital Assets not being Depreciated/Amortized:				
Construction in Progress	\$ 807	\$ 926	\$ —	\$ 1,733
Software in Progress	22	8	—	30
Land	32,647	2	—	32,649
Total Capital Assets not being Depreciated/Amortized	33,476	936	—	34,412
Capital Assets being Depreciated/Amortized:				
Land Improvements	50,688	31	—	50,719
Temporary Easements	50	—	—	50
Buildings and Improvements	59,494	7	—	59,501
Equipment	54,945	3,666	(1,876)	56,735
Software	823	6	—	829
Total Capital Assets being Depreciated/Amortized	166,000	3,710	(1,876)	167,834
Less Accumulated Depreciation/Amortization for:				
Land Improvements	(10,083)	(882)	—	(10,965)
Temporary Easements	(28)	(2)	—	(30)
Buildings and Improvements	(25,830)	(1,354)	—	(27,184)
Equipment	(37,924)	(4,218)	1,836	(40,306)
Software	(626)	(75)	—	(701)
Total Accumulated Depreciation/Amortization	(74,491)	(6,531)	1,836	(79,186)
Total Capital Assets being Depreciated/Amortized, Net	91,509	(2,821)	(40)	88,648
Business-Type Activities Capital Assets, Net	\$ 124,985	\$ (1,885)	\$ (40)	\$ 123,060

*Beginning balances as of July 1, 2019 have been restated (see Note 18).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 5 - Capital Assets (cont.)

Depreciation/amortization expense of governmental activities was charged to functions as follows (in thousands of dollars):

General Government	\$ 40,948
Education	2,388
Natural and Economic Resources	23,364
Transportation and Law Enforcement	606,645
Human Services	60,631
Total	<u>\$ 733,976</u>

Discretely Presented Component Units

The following table summarizes net capital assets reported by the discretely presented component units (in thousands of dollars):

	College and Universities	Non-Major Component Units	Total
Capital Assets not being Depreciated/Amortized:			
Construction in Progress	\$ 308,409	\$ 214	\$ 308,623
Land	186,815	7,220	194,035
Other Non-Depreciable/Amortizable Assets	23,885	—	23,885
Total Capital Assets not being Depreciated/Amortized	<u>519,109</u>	<u>7,434</u>	<u>526,543</u>
Capital Assets being Depreciated/Amortized:			
Land Improvements	38,743	—	38,743
Buildings and Improvements	7,655,358	79,722	7,735,080
Equipment, Fixtures, and Books	1,617,646	1,365	1,619,011
Software	92,647	27	92,674
Infrastructure	765,387	—	765,387
Total Capital Assets being Depreciated/Amortized	<u>10,169,781</u>	<u>81,114</u>	<u>10,250,895</u>
Less Total Accumulated Depreciation/Amortization	<u>(5,096,790)</u>	<u>(25,850)</u>	<u>(5,122,640)</u>
Total Capital Assets being Depreciated/Amortized, Net	<u>5,072,991</u>	<u>55,264</u>	<u>5,128,255</u>
Discretely Presented Component Units – Capital Assets, Net	<u>\$ 5,592,100</u>	<u>\$ 62,698</u>	<u>\$ 5,654,798</u>

Capital Asset Impairments

Multiple software in development projects were stopped in fiscal year 2020 due to cancellation, changing business processes, functionality being addressed by a separate project, or being on hold for an extended period, which resulted in an impairment loss of \$402,000. This loss is reported as a program expense in the government-wide financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 6 - Leases

Capital

The State has entered into various agreements to lease land, buildings, and equipment. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, requires a lease that transfers substantially all of the benefits and risks of ownership to the lessee to be accounted for as the acquisition of a capital asset and the incurrence of an obligation by the lessee (a capital lease liability).

Capital leases for the internal service funds, enterprise funds, and college and universities are reported as a long-term obligation in those funds along with the related assets. Capital leases and the related assets are not reported on the fund financial statements of governmental type funds. However, the capital leases and related assets of governmental funds are included on the government-wide financial statements and they are shown on the reconciliation between fund financial statements and government-wide statements.

Following is a summary of the future minimum lease payments for capital leases (in thousands of dollars):

Fiscal Year Ending June 30	Governmental Funds	Internal Service Funds	College and Universities
2021	\$ 2,239	\$ 307	\$ 12,912
2022	2,239	307	13,049
2023	1,820	306	13,102
2024	1,821	306	12,919
2025	1,166	107	12,791
2026-2030	5,830	537	31,309
2031-2035	2,495	—	212
2036-2040	2,502	—	30
2041-2045	2,502	—	30
2046-2050	2,502	—	29
2051-2055	2,502	—	—
2056-2060	2,502	—	—
2061-2065	2,502	—	—
2066-2070	2,502	—	—
2071-2075	2,502	—	—
2076-2080	2,502	—	—
2081-2085	2,502	—	—
2086-2090	2,502	—	—
2091-2095	2,502	—	—
2096-2100	2,502	—	—
2101-2103	1,501	—	—
Total Minimum Lease Payments	51,637	1,870	96,383
Less Amount Representing Interest	(33,895)	(54)	(5,318)
Present Value of Net Minimum Lease Payments	\$ 17,742	\$ 1,816	\$ 91,065

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 6 - Leases (cont.)

The State has entered into a lease with the Missouri Development Finance Board. The State's obligation under this lease does not constitute a general obligation or other indebtedness of the State. Payments under the lease agreement have been structured in amounts sufficient to pay principal and interest on the Leasehold Revenue Bonds issued by the Board. In November 2005, the Board issued \$28,995,000 of Leasehold Revenue Bonds Series 2005 for the purpose of purchasing buildings in Florissant, St. Louis, and Jennings. In May 2006, the Board issued \$9,865,000 of Leasehold Revenue Bonds Series 2006 for the purpose of purchasing one building in St. Louis. In June 2013, the Board issued \$21,820,000 of Leasehold Revenue Refunding Bonds Series A 2013 and \$7,450,000 of Leasehold Revenue Refunding Bonds Series B 2013 for the purpose of refunding \$20,805,000 of Leasehold Revenue Bonds Series 2005 and \$7,100,000 of Leasehold Revenue Bonds Series 2006, respectively. The payments on these leases are subject to annual appropriation by the State legislature.

Following is a summary of the future minimum lease payments to pay interest and principal of the Leasehold Revenue Bonds (in thousands of dollars):

Fiscal Year Ending June 30	Internal Service Funds
2021	\$ 2,414
2022	2,413
2023	2,409
2024	2,407
2025	2,409
2026-2030	12,036
2031	2,402
Total Minimum Lease Payments	26,490
Less Amount Representing Interest	(3,985)
Present Value of Net Minimum Lease Payments	\$ 22,505

Assets acquired through these capital lease agreements are recorded as capital assets at the lower of the present value of the minimum lease payments or the fair value at the time of acquisition. The following is the value of the property under capital lease by asset category as of June 30, 2020 (in thousands of dollars):

	Governmental Funds	Internal Service Funds	College and Universities
Land	\$ —	\$ —	\$ 518
Buildings	21,964	39,134	41,859
Equipment	—	—	26,180
	\$ 21,964	\$ 39,134	\$ 68,557

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 6 - Leases (cont.)

Operating

The State has entered into various operating leases for land, buildings, and equipment. Most of these leases are classified as operating because the lease period is one year with multiple renewal options. The Department of Natural Resources (DNR) has a yearly obligation of \$11,000 in FY20 for leased property for the Katy Trail easement which is paid out of governmental funds. The obligation will continue in perpetuity, increasing in 5 year increments. The contract conditions and amount for the easement can change with the sale of the property requiring the easement. If the property requiring the easement is sold, a new contract would be negotiated with the new property owners. Future minimum commitments due under operating leases as of June 30, 2020, were as follows (in thousands of dollars):

Fiscal Year Ending June 30	Governmental Funds	Enterprise Funds	Component Units
2021	\$ 25,998	\$ 740	\$ 14,473
2022	2,031	432	11,810
2023	1,703	432	10,529
2024	1,600	332	15,421
2025	1,804	261	11,504
2026-2030	1,652	126	6,034
2031-2035	—	126	—
Total Minimum Commitments	<u>\$ 34,788</u>	<u>\$ 2,449</u>	<u>\$ 69,771</u>

Expenditures for rent under operating leases for the years ended June 30, 2020 and June 30, 2019, were \$28,093,000 and \$24,434,000, respectively.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 6 - Leases (cont.)

Rental Revenue

The State leases certain state owned facilities to entities outside the State. These lessor arrangements are generally long-term commitments which either generate revenue from otherwise idle property or better serve Missouri's citizens by providing convenient access to products and services. The total asset value of the State's leased facilities and land is \$390.9 thousand. For component units, the total asset value is \$117.1 million less accumulated depreciation of \$34.7 million. Future minimum receivables, payable from lessor arrangements as of June 30, 2020, were as follows (in thousands of dollars):

Fiscal Year Ending June 30	Governmental Funds	Component Units
2021	\$ 73	\$ 5,704
2022	73	5,156
2023	73	4,797
2024	77	4,588
2025	78	4,407
2026-2030	402	18,032
2031-2035	433	17,710
2036-2040	469	17,587
2041-2045	451	10,432
2046-2050	408	5,225
2051-2055	463	2,359
2056-2060	526	2,359
2061-2065	359	1,754
2066-2070	—	642
Total Minimum Receivables	<u>\$ 3,885</u>	<u>\$ 100,752</u>

Note 7 - Retirement Systems

The State has two major retirement systems which cover substantially all State employees. These systems are the Missouri State Employees' Retirement System (MOSERS) and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS). MOSERS is comprised of the Missouri State Employees' Plan (MSEP), a cost-sharing multiple-employer, defined benefit public employee retirement plan and the Judicial Plan, a single-employer defined benefit public employee retirement plan. MPERS is a single-employer defined benefit public employees' retirement plan.

Plan Descriptions

The Missouri State Employees' Plan (MSEP) is a cost-sharing multiple-employer, defined benefit public employee retirement plan administered by MOSERS. The Plan is administered in accordance with Sections 104.010 and 104.312-104.1215, RSMo.

The MSEP has three benefit structures known as MSEP (closed plan), MSEP 2000, and MSEP 2011. The MSEP covers all full-time employees hired before July 1, 2000, who are not covered under another state-sponsored retirement plan. MSEP 2000 covers all full-time employees hired on or after July 1, 2000 and before January 1, 2011. MSEP 2011 covers all full-time employees first hired on or after January 1, 2011. Members of the closed plan have the option at retirement to choose between the benefit structure of the MSEP or MSEP 2000.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

The Judicial Plan is a single-employer, defined benefit public employee retirement plan administered by MOSERS. The Plan is administered in accordance with Sections 476.445 - 476.690, RSMo. The Judicial Plan covers eligible members appointed/elected before January 1, 2011. The Judicial Plan 2011 covers eligible members appointed/elected for the first time on or after January 1, 2011.

MOSERS provides retirement, survivor, and disability benefits to its members. General employees are fully vested after 5 years of creditable service if covered by the MSEP, MSEP 2000, and MSEP 2011 plans. Elected officials are fully vested after 4 years of creditable service and Members of the General Assembly are fully vested after 6 years of creditable service. The base retirement benefits are calculated by multiplying the employee's final average pay by a specific factor multiplied by the years of credited service. The retirement eligibility requirements are as follows for general employees:

MSEP

Age 65 and active with 4 years of service
Age 65 with 5 years of service
Age 60 with 15 years of service
Age 48 with age and service equaling 80 or more (Rule of 80)
Employees may retire early at age 55 with at least 10 years of service with reduced benefits.
The base benefit in the general employee plan is equal to 1.6% multiplied by the final average pay multiplied by years of credited service.

MSEP 2000

Age 62 with 5 years of service
Age 48 with age and service equaling 80 or more (Rule of 80)
Employees may retire early at age 57 with at least 5 years of service with reduced benefits.
The base benefit in the general employee plan is equal to 1.7% multiplied by the final average pay multiplied by years of credited service.

MSEP 2011

Age 67 with 5 years of service
Age 55 with age and service equaling 90 or more (Rule of 90)
Employees may retire early at age 62 with at least 5 years of service with reduced benefits.
The base benefit in the general employee plan is equal to 1.7% multiplied by the final average pay multiplied by years of credited service.

Judicial Plan

Age 62 with 12 years of service
Age 60 with 15 years of service
Age 55 with 20 years of service
Employees may retire early at age 62 with less than 12 years of service or age 60 with less than 15 years of service with a reduced benefit that is based upon years of service relative to 12 or 15 years.
The base benefit for members with 12 or more years of service is equivalent to 50% of compensation on the highest court served.

Judicial Plan 2011

Age 67 with 12 years of service
Age 62 with 20 years of service
Employees may retire early at age 67 with less than 12 years of service with reduced benefits or age 62 with less than 20 years of service with a reduced benefit based on years of service.
The base benefit for members with 12 or more years of service is equivalent to 50% of compensation on the highest court served.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

For members hired prior to August 28, 1997, cost of living adjustments (COLAs) are provided annually based on 80% of the percentage increase in the average Consumer Price Index (CPI) from one year to the next, with a minimum rate of 4% and a maximum rate of 5%, until the cumulative amount of COLAs equals 65% of the original benefit, thereafter the 4% minimum rate is eliminated. For members hired on or after August 28, 1997, COLAs are provided annually based on 80% of the percentage increase in the average CPI from one year to the next, up to a maximum rate of 5%. Qualified, terminated-vested members of MSEP and the Judicial Plan may make a one-time election to receive the present value of their future benefit in a lump sum payment. To qualify, a member must have left state employment on or after October 1, 1984 and prior to September 1, 2002, have less than 10 years of service, not be within 5 years of retirement eligibility, meet age requirements, and have a benefit present value of less than \$10,000.

The Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) is a single-employer, defined benefit public employee retirement plan administered in accordance with Sections 104.010-104.1093, RSMo.

MPERS is considered a single-employer plan because its membership is composed of qualified employees of the Missouri Department of Transportation, uniformed and non-uniformed members of the Missouri State Highway Patrol, and MPERS staff.

MPERS provides retirement, survivor, and disability benefits to its members. The MPERS has three benefit structures known as the Closed Plan, the Year 2000 Plan, and the Year 2000 Plan-2011 Tier. Generally, the Closed Plan covers employees hired before July 1, 2000. The Year 2000 Plan generally covers employees hired on or after July 1, 2000 and before January 1, 2011. The Year 2000 Plan-2011 Tier covers employees hired on or after January 1, 2011. Employees covered by the Closed Plan and the Year 2000 Plan are fully vested after 5 years of creditable service. Employees covered by the 2011 Tier are fully vested after 5 years of creditable service if they were active on or after January 1, 2018.

The retirement eligibility requirements are as follows:

Closed Plan

MoDOT and non-uniformed patrol members:

Age 65 and active with 4 or more years
of service
Age 65 with 5 or more years of service
Age 60 with 15 or more years of service
Age 48 with sum of age and service
equaling 80 or more (Rule of 80)

Uniformed patrol members:

Age 55 and active with 4 or more years
of service
Age 55 with 5 or more years of service
Age 48 with sum of age and service
equaling 80 or more (Rule of 80)
Mandatory retirement at age 60

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

All non-uniformed members may retire early, with reduced benefits, at age 55 with at least 10 years of service.

The base benefit in the Closed Plan is equal to 1.6% multiplied by the final average pay multiplied by years of creditable service for non-uniformed members. For members of the uniformed patrol, the base benefit is equal to 2.1333% multiplied by the final average pay multiplied by years of creditable service.

For members employed prior to August 28, 1997, cost of living adjustments (COLAs) are provided annually based on 80% of the increase in the Consumer Price Index for all urban consumers for the United States (CPI-U). The minimum rate is 4% and the maximum rate is 5%, until the cumulative amount of COLAs equals 65% of the original benefit. Thereafter, the 4% minimum rate is eliminated and the annual COLA rate will be equal to 80% of the increase in the CPI-U (annual maximum of 5%). For members employed on or after August 28, 1997, COLAs are provided annually based on 80% of the increase in the CPI-U, up to a maximum rate of 5%.

Year 2000 Plan

MoDOT and non-uniformed patrol members:

Age 62 with 5 or more years of service
Age 48 with sum of age and service
equaling 80 or more (Rule of 80)

Uniformed patrol members:

Age 48 with sum of age and service
equaling 80 or more (Rule of 80)
Mandatory retirement at age 60 with
5 or more years of service

All members may retire early with reduced benefits at age 57 with at least 5 years of service.

The base benefit in the Year 2000 Plan is equal to 1.7% multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 80, and uniform patrol members retiring at the mandatory retirement age (currently 60), receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8% multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80% of the change in the CPI-U, up to a maximum rate of 5%.

Year 2000 Plan-2011 Tier

MoDOT and non-uniformed patrol members:

Age 67 with 5 or more years of service
Age 55 and active with sum of age and service
equaling 90 or more (Rule of 90)

Uniformed patrol members:

Age 55 and active with 5 or more years
of service
Mandatory retirement at age 60 with no
minimum service amount, active only.

Active MoDOT and non-uniformed patrol members may retire early with reduced benefits at age 62 with at least 5 years of service. Terminated and vested uniformed patrol members may retire at age 67 with 5 or more years of service.

The base benefit in the 2011 Tier is equal to 1.7% multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 90, and uniform patrol members retiring at the mandatory retirement age (currently 60) or at age 55 with 5 years of creditable service, receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8% multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80% of the change in the CPI-U, up to a maximum rate of 5%.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

Single-Employer Plans:

Employees Covered by Benefit Terms – Single-Employers Only

As of June 30, 2019 valuation, membership consisted of the following:

	Judicial Plan	MPERS
Retirees, beneficiaries, and the disabled currently receiving benefits	585	9,035
Terminated employees entitled to, but not yet receiving benefits	36	2,042
Active		
Vested	414	5,199
Nonvested	—	2,222
Total Membership	1,035	18,498

Contributions

Per Chapter 104.436, RSMo, contribution requirements of the active employees and the participating employers are established and may be amended by the MOSERS Board. Employees in the MSEP 2011 Plan are required to contribute 4.00% of their annual pay. The State's required contribution rates for the MSEP and the Judicial Plan for the year ended June 30, 2019, were 20.21% and 63.71% of annual payroll, respectively. The contribution rates as a percentage of covered payroll for the MSEP and the Judicial Plan for the year ended June 30, 2019, were 20.21% and 63.63%, respectively. Contributions to the pension plan from the MSEP Plan and the Judicial Plan were \$326,951,000 and \$38,555,000 respectively, for the year ended June 30, 2019.

Per Chapter 104.070, RSMo, contribution requirements of the active employees and the participating employers are established and may be amended by the MPERS Board of Trustees. Beginning January 1, 2011, employee contributions of 4.00% of gross pay are required for those covered by the Year 2000 Plan-2011 Tier. Employer contributions are determined through annual actuarial valuations. Administrative expenses are financed through contributions from participating employers and investment earnings. The state's required contribution rate, as adopted by the MPERS Board of Trustees, for the year ended June 30, 2019, was to be at least 58.00%. The contribution rate as a percentage of covered payroll for the MPERS plan year ended June 30, 2019, was 58.00%. Contributions to the pension plan from the MPERS plan were \$210,167,000.

For the portion of the MSEP Plan relating to the State's component units, the required contribution rate for the year ended June 30, 2019, was 20.21%. The contribution rates as a percentage of covered payroll for the year ended June 30, 2019, was 20.21%. Contributions to the pension plan were \$64,387,000 for the year ended June 30, 2019.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

Cost-Sharing Multiple Employer Plan:

At June 30, 2020, a liability was reported for the State's proportionate share of the net pension liability for the MSEP and the MSEP-CU plans based on an actuarial valuation as of June 30, 2019. The State's proportionate share of the net pension liability was based on the State's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for plan year ended June 30, 2019.

The State reported the following proportionate share of the net pension liability and the pension expense for the fiscal year ended June 30, 2020 (in thousands of dollars):

	<u>MSEP</u>	<u>MSEP-CU</u>
Pension Expense	\$ 1,035,084	\$ 188,850
Proportionate share:		
2020	83.27 %	16.40 %
Net Pension Liability	\$ 5,030,722	\$ 990,703

Single-Employer Plans:

The State's net pension liability and related information for the Judicial and MPERS plans for the fiscal year ended June 30, 2020 (in thousands of dollars):

	<u>Judicial Plan</u> Increase (Decrease)			<u>MPERS</u> Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) – (b)	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2019	\$ 593,789	\$ 150,200	\$ 443,589	\$3,981,839	\$ 2,314,530	\$ 1,667,309
Changes for the year:						
Service Cost	13,574	—	13,574	43,971	—	43,971
Interest	41,711	—	41,711	271,174	—	271,174
Differences Between expected and actual experience	979	—	979	204	—	204
Changes of Assumptions	5,024	—	5,024	—	—	—
Contributions – Employer	—	38,605	(38,605)	—	210,167	(210,167)
Contributions – Employee	—	1,138	(1,138)	—	5,996	(5,996)
Net Income Investment	—	6,056	(6,056)	—	154,327	(154,327)
Benefit payments, including refunds of employee contributions	(37,593)	(37,593)	—	(256,091)	(256,091)	—
Disability Premiums	—	—	—	(1,616)	(1,616)	—
Administrative Expense	—	(72)	72	—	(4,373)	4,373
Net Transfers to Other Retirement Systems	—	—	—	(2,111)	322	(2,433)
Other	—	—	—	—	—	—
Net Changes	<u>23,695</u>	<u>8,134</u>	<u>15,561</u>	<u>55,531</u>	<u>108,732</u>	<u>(53,201)</u>
Balances at June 30, 2020	<u>\$ 617,484</u>	<u>\$ 158,334</u>	<u>\$ 459,150</u>	<u>\$4,037,370</u>	<u>\$ 2,423,262</u>	<u>\$ 1,614,108</u>

For the year ended June 30, 2020, the Judicial Plan and MPERS recognized pension expense of \$64,294,000 and \$175,678,000, respectively.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources				Deferred Inflows of Resources			
	MSEP	Judicial	MPERS	MSEP-CU	MSEP	Judicial	MPERS	MSEP-CU
Difference between expected and actual experience	\$ 4,289	\$ 732	\$ 155	\$ 845	\$58,480	\$ 2,940	\$35,054	\$ 11,516
Changes of assumptions	201,013	11,469	77,343	39,586	—	—	—	—
Net difference between projected and actual earnings on pension plan investments	390,586	7,955	—	76,918	—	—	14,499	—
Changes in proportion and differences between plan contributions and proportionate share of contributions	25,138	—	—	3,717	282	—	—	27,850
Contributions subsequent to the measurement date	362,950	39,123	210,872	70,006	—	—	—	—
Total	\$ 983,976	\$59,279	\$288,370	\$191,072	\$58,762	\$ 2,940	\$49,553	\$ 39,366

Amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period of the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands of dollars):

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources			
	MSEP	Judicial	MPERS	MSEP-CU
2021	\$ 311,557	\$ 7,811	\$ 20,304	\$ 45,978
2022	158,891	6,041	2,481	19,508
2023	49,602	2,382	3,932	7,900
2024	42,215	982	1,228	8,313
Totals	\$ 562,265	\$ 17,216	\$ 27,945	\$ 81,699

Actuarial Assumptions

The total pension liability at June 30, 2020, is based upon the June 30, 2019 actuarial valuation for MOSERS and MPERS using the entry age normal actuarial cost method. Significant actuarial assumptions used in the June 30, 2019, actuarial valuations are the following:

	MSEP and MSEP-CU	Judicial	MPERS
Price Inflation	2.35 %	2.35 %	3.00 %
Salary Increases	2.85-8.35%	2.60-4.80%	3.00-12.45%
Investment Rate of Return	7.10 %	7.10 %	7.00 %

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015, for MOSERS. In addition, the investment return assumption was reduced from 7.25% to 7.10% for the June 30, 2019 valuation. Other assumption changes were decreases in the payroll and wage growth assumptions. MOSERS mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table, projected to 2026 with scale MP-2015 and scaled by 120% for the MSEP and 98% for the Judicial Plan. The pre-retirement mortality table used was the RP-2014 Employee Mortality Table, projected to 2026 with scale MP-2015 and scaled by 95% for males and 90% for females.

Amounts reported in the June 30, 2019, actuarial report are assumptions reflecting adjustments to expected rates of withdrawal, disability, normal and early retirement, mortality, and merit and seniority pay for MPERS. The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2012, through June 30, 2017. Mortality rates, for post-retirement mortality, used in evaluating allowances to be paid to non-disabled pensioners were the RP-2014 Healthy Mortality Tables projected to 2022 using projection scale MP-2017. Pre-retirement mortality used were the RP-2014 Employee Mortality Table projected to 2022 using projection scale MP-2017 and multiplied by a factor of 65%. Disabled pension mortality was based on RP-2014 Disabled Retiree Annuitant Mortality Tables projected to 2022 using projection scale MP-2017.

The long-term (30 year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for the MSEP and Judicial Plan and arithmetic real rates of return for MPERS for each major asset class included in the target allocation are summarized in the table below:

Target Asset Allocation - New Portfolio

Asset Class	MSEP and MSEP-CU		Judicial		MPERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	30.0%	7.7%	30.0%	7.7%	40.0%	6.0%
Private Equity	15.0%	9.3%	15.0%	9.3%	10.0%	8.9%
Fixed Income					22.5%	2.1%
Real Assets					10.0%	5.9%
Real Estate					10.0%	4.6%
Hedge Funds	5.0%	4.8%	5.0%	4.8%	0.0%	0.0%
Opportunistic Debt					7.5%	5.9%
Long treasuries	25.0%	3.5%	25.0%	3.5%		
Core bonds	10.0%	3.1%	10.0%	3.1%		
Commodities	5.0%	5.5%	5.0%	5.5%		
TIPS	25.0%	2.7%	25.0%	2.7%		
Private real assets	5.0%	7.1%	5.0%	7.1%		
Public real assets	5.0%	7.7%	5.0%	7.7%		
Alternative beta	10.0%	5.3%	10.0%	5.3%		
Private Credit	5.0%	9.5%	5.0%	9.5%		
Cash and cash equivalents**	(40.0)%	0.0%	(40.0)%	0.0%		
	<u>100.0%</u>		<u>100.0%</u>		<u>100.0%</u>	

**Cash and cash equivalents policy allocation amounts are negative due to use of leverage.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

Target Asset Allocation - Old Portfolio

Asset Class	MSEP and MSEP-CU		Judicial	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	38.0%	8.3%	38.0%	8.3%
Nominal Bonds	44.0%	3.3%	44.0%	3.3%
Commodities	20.0%	7.8%	20.0%	7.8%
Inflation- linked Bonds	39.0%	2.4%	39.0%	2.4%
Alternative Beta	31.0%	6.6%	31.0%	6.6%
Cash and cash equivalents**	(72.0)%	0.0%	(72.0)%	0.0%
	<u>100.0%</u>		<u>100.0%</u>	

**Cash and cash equivalents policy allocation amounts are negative due to use of leverage.

Discount Rate

A single discount rate based on the expected rate of return on pension investments of 7.10%, 7.10%, and 7.00% was used to measure the total pension liability for MSEP, Judicial Plan, and MPERS, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate for MPERS. The projection of cash flows used to determine the discount rate assumed that contributions will be made using actuarial determined rates from employers for MOSERS. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate, as well as, what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
MSEP Net Pension Liability	6.10% \$6,346,497	7.10% \$5,030,722	8.10% \$3,924,476
Judicial Plan Net Pension Liability	6.10% \$522,724	7.10% \$459,150	8.10% \$404,862
MPERS Net Pension Liability	6.00% \$2,088,979	7.00% \$1,614,108	8.00% \$1,217,786
MSEP-CU Net Pension Liability	6.10% \$1,249,819	7.10% \$990,703	8.10% \$772,849

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

Payables to the Pension Plan

As of June 30, 2020, the State had payables of \$17,771,000 to MOSERS for the outstanding amount of contributions to the pension plan, relating to a two week lag in payroll.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separate financial reports issued by MOSERS and MPERS:

Missouri State Employees' Retirement System
P.O. Box 209
Jefferson City, Missouri 65102-0209
www.mosers.org

Missouri Department of Transportation and
Highway Patrol Employees' Retirement System
P.O. Box 1930
Jefferson City, Missouri 65102-1930
www.mpers.org

University of Missouri Retirement System

Plan Description

The University of Missouri Retirement, Disability, and Death Benefit Plan is a single-employer defined benefit plan for all qualified employees. As authorized by Section 172.300, RSMo, the University's Board of Curators administers the Retirement Plan and establishes its terms.

Full-time employees vest in the Retirement Plan after five years of credited service and become eligible for benefits based on age and years of service. A vested employee who retires at age 65 or older is eligible for a lifetime annuity calculated at a certain rate times the credited service years times the compensation base (average consumption for the five highest consecutive salary years). The rate is 2.2% if the employee was hired before October 1, 2012, or 1.0% if the employee was hired after September 30, 2012. Academic members who provide summer teaching and research service receive additional summer service credit. The Board of Curators may periodically approve increases to the benefits paid to existing pensioners. However, vested members who leave the University prior to eligibility for retirement are not eligible for these pension increases. Vested employees who are at least age 55 and have ten years or more of credited service, or age 60 with at least five years of credited service may choose early retirement with a reduced benefit. However, if the employee retires at age 62 and has at least 25 years of credited service, the benefit is not reduced. Up to 30% of the retirement annuity can be taken in a lump sum payment. In addition, the standard annuity can be exchanged for an actuarially-equivalent annuity selected from an array of options with joint and survivor, period certain, and guaranteed annual increase features.

As of June 30, 2020, membership consisted of the following:

Vested members	18,352
Inactive vested members	5,046
Pensioners and beneficiaries	<u>10,836</u>
Total Membership	<u><u>34,234</u></u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

In April 2019, the University's Board of Curators approved a new retirement plan for newly hired or rehired employees starting October 1, 2019. Employees starting on or after that date, will be enrolled in a defined contribution plan and the defined benefit plan of the University will be closed to new entrants. Rehires on or after October 1, 2019 will also be enrolled into the new defined contribution plan regardless of their vested status in the defined benefit plan. Vested defined benefit employees that are rehired on or after October 1, 2019 will no longer receive creditable service credit within the defined benefit plan.

Contributions

The University's contributions to the Retirement Plan are equal to the actuarially determined contribution requirement (ADC). The ADC for those employees hired before October 1, 2012 averaged 11.4% of covered payroll for the year ending June 30, 2020. The ADC for those employees hired after September 30, 2012, averaged 7.8% of covered payroll for the year ended June 30, 2020. Employees are required to contribute 1% of their salary up to \$50,000 in a calendar year and 2% of their salary in excess of \$50,000. An actuarial valuation of the Plan is performed annually and the University's contribution rate is updated on July 1, to reflect the actuarially determined funding requirement from the most recent valuation, as of the preceding October 1. This actuarial valuation reflects the adoption of any Retirement Plan amendments during the previous fiscal year. The University contributed \$118,234,000 during the fiscal year ended June 30, 2020.

Employees hired after September 30, 2012, participate in a single employer, defined contribution plan. Each year the University contributes 2% of each employee's eligible salary to a 401(a) plan. Employees are able to contribute to a 457(b) and 403(b) plan. The University will match up to 3% of the employee's contribution to the 457(b) plan with the University's match funds going into the 401(a) plan. Employees in the defined contribution plans are immediately 100% vested in their contributions. Employees hired or rehired beginning October 1, 2019, will participate in a single- employer, defined contribution plan. Employees will be automatically enrolled in the plan to contribute 8% of eligible salary into a 457(b) plan. Each year the University will match up to 8% of each employer's eligible salary to a 401(a) plan. The University's matching contributions vest following three years of consecutive or nonconsecutive service. The defined contribution plan recognized \$26,781,000 of pension expense net of \$3,720,000 of forfeitures for the year ended June 30, 2020.

Net Pension Liability

The Retirement Plan's net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2019. Roll-forward procedures were used to measure the Retirement Plan's net pension liability as of June 30, 2020. For the year ended June 30, 2020, fiduciary net position as a percentage of the total pension liability amounted to 76.71%.

Changes in net pension liability (in thousands of dollars):

	Total Pension Liability (TPL) (a)	Fiduciary Net Pension (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at June 30, 2019	\$ 4,571,623	\$ 3,757,413	\$ 814,210
Changes for the year:			
Service Cost	66,239	—	66,239
Interest	323,553	—	323,553
Differences between expected and actual experience	68,943	—	68,943
Contributions – Employer	—	118,234	(118,234)
Contributions – Employee	—	16,484	(16,484)
Net Income Investment	—	28,604	(28,604)
Benefit payments, including refunds of employee contributions	(265,991)	(265,991)	—
Net Changes	192,744	(102,669)	295,413
Balances at June 30, 2020	<u>\$ 4,764,367</u>	<u>\$ 3,654,744</u>	<u>\$ 1,109,623</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

Pension Expense

Annual pension expense consists of service cost and interest on the pension liability less employee contributions and projected earnings on pension plan investments. The difference between actual and expected earnings is recorded as a deferred outflow/inflow of resources and recognized in pension expense over a five year period.

For the year ended June 30, 2020, the Retirement Plan recognized pension expense of \$243,021,000. At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 76,279	\$ 15,050
Changes in assumptions	116,739	—
Net difference between projected and actual earnings on pension plan investments	188,145	—
Total	\$ 381,163	\$ 15,050

The University recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the University's employees. The following table summarizes the future recognition of these items:

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources Recognition
2021	\$ 84,017
2022	112,430
2023	103,515
2024	61,943
2025	4,208
Totals	\$ 366,113

Actuarial Assumptions

The October 1, 2019 actuarial valuation utilized the entry age actuarial cost method. The discount rate used to measure the total pension liability was 7.20%. Actuarial assumptions included:

Inflation	2.20 %
Salary Increases	3.6% - 4.5%
Investment Rate of Return	7.20 %

For purposes of determining actuarially required contributions, the actuarial value of assets was determined using techniques that spread effects of short-term volatility in the market value of investments over a five-year period. The underfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over 24 years from the October 1, 2019 valuation date. Mortality rates were based on the RP-2014 Combined Health Mortality Table projected using Scale MP-2017 and RP-2000 Combined Health Mortality Table projected to 2023 using Scale BB for the October 1, 2019 valuation date.

The actuarial assumptions used in the October 1, 2019 valuation were based on the results of the most recent quinquennial study of the University's own experience covering 2012 to 2016.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 7 - Retirement Systems (cont.)

The annual money-weighted rate of return is calculated as the internal rate of return on pension investments, net of pension plan investment expense. The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan investments for the year ended June 30, 2020 was 0.6%. The following table provides long-term expected rates of real return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	32.0 %	5.2 %
Private equity	10.0 %	5.7 %
Sovereign bonds	15.0 %	1.0 %
Inflation linked bonds	17.0 %	0.8 %
Private debt	3.0 %	4.4 %
Risk balanced	10.0 %	7.6 %
Commodities	5.0 %	2.2 %
Real estate	8.0 %	4.5 %
	<u>100.0 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the University contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate, as well as, what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
MU Net Pension Liability	6.20% \$1,704,483	7.20% \$1,109,623	8.20% \$607,118

Separate financial statements are not prepared for the Plan.

Detailed information concerning the Plan is presented in the University's 2020 financial report, which is publicly available. Copies of this report may be requested from:

University of Missouri System
118 University Hall
Columbia, Missouri 65211
www.umsystem.edu

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
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Note 8 - Other Postemployment Benefits

In addition to the retirement benefits described in Note 7, the State provides postemployment health care and life insurance benefits, in accordance with State statutes, to the majority of employees who either retire from the State or receive long-term disability benefits. These benefits are administered by the Missouri Consolidated Health Care Plan (MCHCP), the Missouri State Employees' Retirement System (MOSERS), the Missouri Department of Transportation and Highway Patrol Employees' Medical and Life Insurance Plan (MHPML), and the Conservation Employees' Insurance Plan (CEIP). MCHCP is a cost-sharing multiple-employer, defined benefit other postemployment benefits plan, MOSERS is an insured, defined benefit insurance plan, and MHPML and CEIP are single-employer defined benefit public employees' other postemployment benefits plans.

Plan Descriptions

Missouri Consolidated Health Care Plan (MCHCP) operates a cost-sharing multiple-employer, defined benefit Other Postemployment Benefits Plan (OPEB), the State Retiree Welfare Benefit Trust (SRWBT). Employees may participate at retirement, if eligible to receive a monthly retirement benefit from either Missouri Employees' Retirement System (MOSERS) or another retirement system whose members grandfathered for coverage under the MCHCP by law. The terms and conditions governing postemployment benefits, are vested with the MCHCP Board of Trustees within the authority granted under sections 103.003 - 103.178, RSMo. MCHCP provides medical, dental, and vision benefits, and the Strive Employee Life & Family program for the exclusive benefit of current and future retired employees of the state and their dependents who meet eligibility requirements, except those retired members covered by other OPEB plans of the state. Covered categories include active employees, participants and spouses in payment status, participants with a deferred benefit, and disabled participants.

The Missouri Department of Transportation and Highway Patrol Employees' Medical and Life Insurance Plan (MHPML) is a single-employer, defined benefit OPEB plan administered in accordance with Section 104.270, RSMo. MHPML is not a separate legal entity and is self insured. The plan does not maintain assets in a trust and pays expenses on a pay-as-you-go basis. The plan assets are neither legally protected from creditors nor are they dedicated to providing OPEB benefits. The State has no legal obligation to pay the benefits. MHPML provides healthcare insurance benefits to employees who retired from the Department who participated in the Medical and Life Insurance Plan when they were an active employee and had a minimum of five years creditable service. Coverage categories include retirees, certain disabled employees, spouses, certain dependents and survivors of deceased employees and retirees. At July 1, 2019, the number of participants covered by the plan included 6,185 retirees or beneficiaries currently receiving benefits, 92 retirees entitled to but not yet receiving benefits, and 7,526 active employees.

The Conservation Employees' Benefits Plan (CEIP) is a single-employer defined benefit OPEB plan administered by the Conservation Employees' Benefits Plan Board of Trustees in accordance with Article IV, Section 42 of the Missouri Constitution. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The benefit plan for the Department of Conservation is not irrevocable.

CEIP provides for the continuation of medical insurance benefits for retirees and their dependents. Coverage categories include active employees, retirees and surviving spouses, and spouses of current retirees. At June 30, 2019, 1,300 active employees, 849 retirees and surviving spouses, and 408 spouses of current employees were participating in the plan.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

Contributions

Contributions are established and may be amended by the MCHCP Board of Trustees with the authority granted under sections 103.003 - 103.178, RSMo. Contributions to MCHCP by the State are not legally or contractually required. For the fiscal year end June 30, 2019, employers contributed 4.99% for the period July 1, 2018 through January 31, 2019; 6.19% for the period February 1, 2019 through April 15, 2019; and 4.33% for the period April 16, 2019 through June 30, 2019, of covered payroll. Retiree contribution rates are established based on projected claims experience and funding provided by employer contributions. Contributions to the OPEB plan for MCHCP and MCHCP-CU was \$82,295,000 and \$35,000, respectively for the year ended June 30, 2020.

The contribution requirements for MHPML are recommended by the Medical and Life Insurance Plan's Board of Trustees and are approved by the Missouri Highways and Transportation Commission. The Commission contributes a percentage of medical premiums for retirees. For those who retired on or prior to January 1, 2015, an amount ranging from 40.0% to 57.0% of the premium is contributed, dependent on the level of coverage. Medical premiums, for employees who retire on or after January 1, 2015, are based on total years of service, with the Commission contributing 2.0% per year of service, not to exceed 50.0% of the total premium, with the retiree responsible for the remaining balance of the premiums. Benefit projections for financial reporting purposes are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the historical pattern of cost sharing between employer and the plan members to that point. Contributions to the Plan for the year ended June 30, 2020 was \$23,639,000.

The contribution requirements for CEIP are established by a trust agreement between the Conservation Commission and the Conservation Employees' Benefits Plan Board of Trustees, which grants the authority to establish and amend benefit terms and financing requirements to the Board of Trustees. The Commission contribution toward retiree medical premium is based on tenure or years of service with the State. At the time of retirement, employees who have 25+ years of service receive a 35% contribution, 20-24 years of service receive a 30% contribution, 15-19 years of service receive a 25% contribution, vested status up to 14 years of service receive a 20% contribution, and employees who retired prior to January 1, 2013 continue to receive a 35% contribution towards their premium. Benefit projections for financial reporting purposes are based on an established policy of the retiree's paying the premium amount less any direct subsidy paid by the Commission based on years of service and date of retirement. Contributions to the Plan for the year ended June 30, 2020 was \$2,961,000.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

Cost-Sharing Multiple Employer Plan:

At June 30, 2020, a liability was reported for the State's proportionate share of the collective net OPEB liability for the MCHCP and the MCHCP-CU plans based on an actuarial valuation as of July 1, 2019. The State's proportionate share of the collective net OPEB liability was calculated by dividing the State's contribution to the SRWBT by the total contributions from all applicable employers during the measurement period. From the previous valuation, the discount rate changed from 5.90% to 5.24%.

The State reported the following proportionate share of the collective net OPEB liability and the OPEB expense for the fiscal year ended June 30, 2020 (in thousands of dollars):

	<u>MCHCP</u>	<u>MCHCP-CU</u>
OPEB Expense	\$ 61,643	\$ 10
Proportionate share:		
2020	99.61 %	0.04 %
Net OPEB Liability	\$ 1,761,801	\$ 746

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

Single-Employer Plans:

The State's total OPEB liability and related information for the MHPML and CEIP plans for the fiscal year ended June 30, 2020 (in thousands of dollars):

	MHPML	CEIP
	Total OPEB Liability	Total OPEB Liability
Balances at June 30, 2019	\$ 1,121,375	\$ 149,716
Changes for the year:		
Service Cost	38,514	2,501
Interest	44,435	5,276
Differences between expected and actual experience	(52,465)	—
Effect of economic/demographic gains or losses	—	(36,969)
Changes of assumptions or other inputs	(63,896)	32,152
Benefit payments	(23,638)	(2,961)
Net Changes	(57,050)	(1)
Balances at June 30, 2020	<u>\$ 1,064,325</u>	<u>\$ 149,715</u>

For the year ended June 30, 2020, the MHPML and CEIP recognized OPEB expense of \$27,779,000 and \$7,444,000, respectively.

At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to OPEBs were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources				Deferred Inflows of Resources			
	MCHCP	MHPML	CEIP	MCHCP- CU	MCHCP	MHPML	CEIP	MCHCP- CU
Difference between expected and actual experience	\$ 62,309	\$ —	\$ —	\$ 26	\$ (23,629)	\$ (45,206)	\$ (30,551)	\$ (11)
Changes of assumptions	—	—	33,228	—	(74,407)	(174,642)	(3,944)	(34)
Net difference between projected and actual earnings on plan investments	2,808	—	—	1	—	—	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	785	—	—	16	(44)	—	—	(142)
Contributions subsequent to the measurement date	71,433	23,667	—	32	—	—	—	—
Total	<u>\$137,335</u>	<u>\$ 23,667</u>	<u>\$ 33,228</u>	<u>\$ 75</u>	<u>\$ (98,080)</u>	<u>\$ (219,848)</u>	<u>\$ (34,495)</u>	<u>\$ (187)</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

Amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the measurement period of the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands of dollars):

June 30	Net Deferred Outflows/Inflows of Resources			
	MCHCP	MHPML	CEIP	MCHCP-CU
2021	\$ (4,413)	\$ (55,170)	\$ (334)	\$ (19)
2022	(4,413)	(55,170)	(334)	(19)
2023	(4,371)	(55,170)	(334)	(18)
2024	(5,062)	(31,439)	370	(19)
2025	(5,267)	(20,246)	(636)	(19)
Thereafter	(8,652)	(2,653)	—	(50)
Totals	<u>\$ (32,178)</u>	<u>\$ (219,848)</u>	<u>\$ (1,268)</u>	<u>\$ (144)</u>

Actuarial Assumptions

The total OPEB liability at June 30, 2020, is based upon the the July 1, 2019 actuarial valuation date for MCHCP and MHPML, and the June 30, 2019 actuarial valuation date for CEIP, using the entry age normal actuarial cost method. Significant actuarial assumptions used in the actuarial valuations are the following:

	MCHCP and MCHCP-CU
Price Inflation	3.0%
Salary Increases	4.0%
Investment Rate of Return	5.24%
Healthcare Cost Trend Rate	Non-Medicare is 6.00% for fiscal year 2019; the rate decreases by 0.25% per year to an ultimate rate of 5.0% in fiscal year 2023 and later. Medicare is 10.0% in fiscal 2019 and 2020, 22.0% in fiscal 2021, 10.0% in fiscal 2022 and 2023, 9.5% in fiscal 2024, 9.0% in fiscal 2025, 8.5% in fiscal 2026 then 8.0% in fiscal 2027 decreasing by 1.0% per year to an ultimate rate of 5.0% in fiscal year 2030 and after.
	MHPML
Price Inflation	2.0%
Salary Increases	2.5%
Investment Rate of Return	3.51%
Healthcare Cost Trend Rate	6.0% for 2019, decreasing to 4.5% for 2025 and later years.
	CEIP
Price Inflation	2.3%
Salary Increases	4.0%
Investment Rate of Return	2.21%
Healthcare Cost Trend Rate	Pre-65 rate of 6.6% for 2019, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond. Post-65 trend rate of 6.3% for 2019, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

MCHCP's actuarial assumptions used in the July 1, 2019 valuation for SRWBT involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The valuation to determine the SRWBT's total OPEB liability is required to be performed at least every two years, but is performed annually. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations. The collective total OPEB liability for June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2019, with updated procedures used to roll forward the total OPEB liability to June 30, 2019. The cost method utilized for the valuation year June 30, 2019, was the entry age normal, level percentage of payroll. Mortality rates were based on RP-2016 for Employees/Annuitants without collar adjustments using Scale MP-2016. The last experience study was conducted for the period July 1, 2008 through June 30, 2012. The last independent actuarial review of the reasonableness and accuracy of actuarial assumptions, actuarial cost methods, and valuations was conducted as of June 30, 2019.

MHPML's actuarial assumptions used in the July 1, 2019 valuation were determined using a measurement date of July 1, 2019. The inflation rate was based on the actuary's long-term estimate of inflation as of July 1, 2017 and July 1, 2018. The salary increases were based on projected salaries, which include COLA's. The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Bond Index. Mortality rates were based on the 2018 Pub-2010 Public Retirement Plans Safety Employees Mortality Table weighted by Headcount project by MP-2018 and the RP 2014 Employees and Health Annuitants Mortality table, headcount weighted, fully generational projected by Scale MP-2016 for July 1, 2019. The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2019. From the previous valuation, the discount rate changed from 3.87% to 3.51%.

CEIP's actuarial assumptions used in the June 30, 2019 valuation were determined using a measurement date of June 30, 2020. The discount rate was based on the 20-year Bond General Obligation Index. Mortality rates were based on Pub-2010 Mortality for General Employees, Healthy Annuitants and Contingent Survivors, with generational projection per Scale MP-2019. The plan has not had a formal actuarial experience study performed. From the previous valuation, the discount rate changed from 3.50% to 2.21%.

For MCHCP, the long-term expected rate of return on OPEB plan investments was determined as a blend of the plan sponsor's best estimate on the expected return on plan assets and the 20-year high quality municipal bond rate as of the measurement date. The target asset allocation and best estimates of arithmetic real rate of returns for each major asset class are listed below.

Asset Class	MCHCP and MCHCP-CU	
	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Stocks	16.0%	8.5%
Mid Cap Stocks	7.0%	8.8%
Small Cap Stocks	7.0%	8.8%
High-Yield Bonds	5.0%	9.0%
BarCap Aggregate Bonds	63.0%	3.7%
Cash Equivalants	2.0%	3.3%
	100.0%	

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

Discount Rate

A single discount rate based on the expected rate of return on OPEB investments of 5.24%, 3.51%, and 2.21% was used to measure the total OPEB liability for MCHCP, MHPML, and CEIP, respectively. For MCHCP, the projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at required rates, actuarially determined. For years where the expected benefit payments can be covered by projected trust assets, expected returns are used. For years where payments are not expected to be covered by trust assets, the municipal Bond Buyer 20-Bond General Obligation Index rate is utilized.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

Regarding the sensitivity of the net OPEB liability for MCHCP and total OPEB liability for MHPML and CEIP, to changes in the single discount rate, the following presents the State's liability, calculated using a single discount rate, as well as, what the plan's liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
MCHCP Net OPEB Liability	4.24% \$2,090,855	5.24% \$1,761,801	6.24% \$1,501,274
MHPML Total OPEB Liability	2.51% \$1,273,993	3.51% \$1,064,325	4.51% \$902,165
CEIP Total OPEB Liability	1.21% \$183,763	2.21% \$149,715	3.21% \$123,864
MCHCP-CU Net OPEB Liability	4.24% \$886	5.24% \$746	6.24% \$636

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

Regarding the sensitivity of the net OPEB liability for MCHCP and the total OPEB liability for MHPML and CEIP, to changes in healthcare cost trend rates, the following presents the plan's liability, calculated using healthcare cost trend rates, as well as, what the plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
MCHCP Net OPEB Liability	\$1,481,511	\$1,761,801	\$2,118,116
MHPML Total OPEB Liability	\$882,361	\$1,064,325	\$1,304,988
CEIP Total OPEB Liability	\$124,948	\$149,715	\$182,747
MCHCP-CU Net OPEB Liability	\$628	\$746	\$897

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separate financial reports issued by MCHCP:

Missouri Consolidated Health Care Plan
P.O. Box 104355
Jefferson City, Missouri 65110-4355
www.mchcp.org

Missouri State Insured Defined Benefit Insurance Plan

The Missouri State Insured Defined Benefit Insurance Plan is administered through The Standard, which is a third party administrator with oversight by Missouri State Employees Retirement System (MOSERS). In the event that the Standard becomes insolvent, the Missouri Guarantee Association will work with the Standard to see what assets are available to handle their liabilities and the MO Guarantee Association would handle the open and unpaid claims up to the maximum outlined in Section 376.717, RSMo.

Retiree Life Insurance

Members who retire on or after October 1, 1985, or retirees of the Department of Labor and Industrial Relations (DOLIR) who retire on or after January 1, 1996, are eligible for \$5,000 of state-sponsored basic life insurance coverage if they retire directly from active employment. This group plan is financed on a percentage of payroll and is purchased as a group policy through competitive bids. Premiums are contributed as provided by Section 104.515, RSMo. Retirees of the DOLIR who retire prior to January 1, 1996, are eligible for state-sponsored insured defined benefit coverage in the same amount of coverage they were receiving through the DOLIR. The coverage for this closed group is purchased as a group policy at a current cost of \$2.07 per thousand dollars of coverage, per month as provided by Section 288.225, RSMo. The cost for fiscal year 2020 was \$1,954,000.

Long-Term Disability Insurance (LTD)

MOSERS provides LTD coverage for eligible members and generally includes those active members of MOSERS' retirement plans who do not have other disability coverage and are not yet eligible to receive normal (unreduced) retirement benefits. There were 31,737 members covered under the program as of June 30, 2020. This insured defined-benefit coverage is billed on percentage of covered payroll (0.55%). Purchased as group policy through competitive bids, LTD is administered by The Standard Insurance Company. The cost for the year ended June 30, 2020, was \$8,385,000. Premiums are contributed by the State and its component employers as provided for by Section 104.515, RSMo.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

University of Missouri System

Plan Description

In addition to the retirement benefits described in *Note 7*, the University of Missouri operates a single-employer, defined benefit Other Postemployment Benefits (OPEB) Plan. The assets of the OPEB Trust Fund are irrevocable and legally protected from creditors and dedicated to providing postemployment benefits in accordance with the plan. The OPEB plan provides postemployment medical, dental, and life insurance benefits to employees who retire from the University after attaining age 55 and before reaching age 60 with ten or more years of service, or after attaining age 60 with five or more years of service. As of January 1, 2018, employees must be 60 years old and have 20 years of service at the date of retirement to access the same percentage subsidy as retirees prior to January 1, 2018. Employees with age plus years of service less than 80, but with more than 5 years of service as of January 1, 2018, will receive a subsidy of \$100 per year of service up to a maximum of \$2,500 annually. Employees with less than 5 years of service as of January 1, 2018, will not receive an insurance subsidy or be eligible to participate in the University's plans.

As of June 30, 2020, 8,309 retirees were receiving benefits, and an estimated 8,907 active University employees may become eligible to receive benefits under the plan. Postemployment medical, dental and life insurance benefits are also provided to long-term disability claimants who were vested in the University's Retirement Plan at the date the disability began, provided the onset date of the disability was on or after September 1, 1990. As of June 30, 2020, 119 long-term disability claimants met those eligibility requirements. The terms and conditions governing the postemployment benefits to which employees are entitled are at the sole authority and discretion of the University's Board of Curators. The OPEB plan does not issue a separate financial report.

Contributions

Postemployment benefits are funded through both employer and employee contributions. Contribution requirements of employees and the University are established and may be amended by the University's Board of Curators. For employees retiring prior to September 1, 1990, the University contributes 2/3 of the medical benefits premium and 1/2 of the dental plan premium. For employees who retire on or after September 1, 1990, the University contributes towards premiums based on the employee's length of service and age at retirement.

The University makes available two group term life insurance options. Option A coverage is equal to the retiree's salary at the date of retirement, while Option B is equal to two times the amount. For each Option, graded decreases in coverage are made when the retiree attains specific age levels. The University pays the full cost of Option A and approximately 91% of Option B coverage. Coverage for group term life insurance ends on January 1 following the retiree's 70th birthday.

For the year ended June 30, 2020, participant contributions were \$17,763,000, or approximately 52.4%, of the total premiums through their required contributions, which vary depending on the plan and coverage selection. In fiscal year 2020, the contribution rate as a percentage of covered payroll was 3.37% and the University contributed \$20,672,000.

The University also makes available two long-term disability options to its employees. Option A coverage is equal to 60% of the employee's salary on the date the disability began, when integrated with benefits from all other sources. Option B coverage is equal to 66-2/3% of the employee's salary, integrated so that benefits from all sources will not exceed 85% of the employee's salary. Both options have a 149-day waiting period and provide benefits until age 65. The University pays the full cost of the Option A premium, while employees enrolled in Option B pay the additional cost over the Optional A premium.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2020, the net OPEB liability for the University was based on an actuarial valuation as of June 30, 2020 and measured as of that date. For the year ended June 30, 2020, fiduciary net position as a percentage of the net OPEB liability amounted to 9.67%.

Changes in net OPEB liability (in thousands of dollars):

	Total OPEB Liability (TOL)	Fiduciary Net Position (FNP)	Net OPEB Liability (NOL)
Balances at June 30, 2019	\$ 492,066	\$ 38,426	\$ 453,640
Changes for the year:			
Service Cost	4,019	—	4,019
Interest	17,004	—	17,004
Differences between expected and actual experience	(4,425)	—	(4,425)
Changes in assumptions	(81,032)	—	(81,032)
Contributions – Employer	—	20,672	(20,672)
Contributions – Employee	—	17,763	(17,763)
Net Investment Income	—	920	(920)
Benefit payments, including refunds of employee contributions	(20,652)	(38,413)	17,761
Administrative Expenses	—	(2)	2
Net Changes	(85,086)	940	(86,026)
Balances at June 30, 2020	<u>\$ 406,980</u>	<u>\$ 39,366</u>	<u>\$ 367,614</u>

For the year ended June 30, 2020, the University recognized OPEB expense of \$791,000. At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to OPEBs were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 22,968	\$ 3,641
Changes in assumptions	—	101,010
Net difference between projected and actual earnings on OPEB plan investments	—	2,116
Total	<u>\$ 22,968</u>	<u>\$ 106,767</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

The University recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the University's employees. The following table summarizes the future recognition of those items (in thousands of dollars):

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources Recognition
2021	\$ (20,233)
2022	(20,050)
2023	(19,732)
2024	(16,405)
2025	(8,146)
Thereafter	767
Totals	\$ (83,799)

Actuarial Assumptions

The total OPEB liability at June 30, 2020, is based upon the June 30, 2020 actuarial valuation, using the entry age normal, as a level percentage of pay, actuarial cost method. Significant actuarial assumptions used in the actuarial valuations are the following:

Price Inflation		2.2%
Salary Increases	Varies based on age: 0.1% to 6.0%(including inflation) for academic and administrative; 0.1% to 3.0% (including inflation) for clerical and service	
Investment Rate of Return		2.21%
Pre-65 Medical and HSP Plans Trend Rate	7.00% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached.	
Pre-65 Rx trend rate	7.53% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached.	
Post-65 Medical and Rx Trend Rate	5.00% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached	
Dental trend rates	2.0% all years.	

The University's actuarial assumptions used in the June 30, 2020 valuation involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Benefit projections for financial reporting purposes are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the historical pattern of cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. For healthy retiree mortality rates, the RP-2014 Healthy Employee/Annuitant Mortality Table projected generationally using Scale MP-2017 was used. For disabled retiree mortality rates, the RP-2014 Disabled Annuitant Mortality Table projected generationally using Scale MP-2017 was used.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 8 - Other Postemployment Benefits (cont.)

Discount Rate

The discount rate used to measure the total OPEB liability was 2.21% for the year ended June 30, 2020. The projection of cash flows used to determine the discount rate assumed that the University would not make additional contributions to the OPEB Trust and would continue to fund the plan on a pay-as-you-go basis. Based on these assumptions, the OPEB Plan's fiduciary net position was not projected to cover a full year of projected future benefit payments. Therefore, all future benefit payments are discounted at the current index rate for 20 year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

Regarding the sensitivity of the net OPEB liability for the University, to changes in the single discount rate, the following presents the University's liability, calculated using a single discount rate, as well as, what the plan's liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Net OPEB Liability	1.21% \$430,532	2.21% \$367,614	3.21% \$316,449

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

Regarding the sensitivity of the net OPEB liability for the University, to changes in healthcare cost trend rates, the following presents the University's liability, calculated using healthcare cost trend rates, as well as, what the plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
Net OPEB Liability	\$330,111	\$367,614	\$412,966

Detailed information concerning the Plan is presented in the University's 2020 financial report, which is publicly available. Copies of this report may be requested from:

University of Missouri System
118 University Hall
Columbia, Missouri 65211
www.umsystem.edu

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 9 - Deferred Compensation

Missouri State Public Employees' Deferred Compensation Plan:

In accordance with Internal Revenue Code Section 457, the State offers all employees the opportunity to participate in the Missouri State Public Employees' Deferred Compensation Plan. Under the Plan, employees are permitted to defer a portion of their current salary until future years.

All amounts of compensation deferred under the Plan must be held in a trust, custodial account, or annuity contract for the exclusive benefit of Plan participants and their beneficiaries. Investments are managed by the Plan's trustee under one of several investment options, or a combination thereof. The choice between the investment option(s) available by the Plan is made by the participants.

Copies of the Plan's financial statements may be requested from:

Plan Administrator
c/o MOSERS
P.O. Box 209
907 Wildwood Drive
Jefferson City, Missouri 65102-0209

Missouri State Public Employees' Deferred Compensation Plan:

The Plan was established by the Missouri State Public Employees' Deferred Compensation Commission in July 1995 pursuant to Section 401(a) of the Internal Revenue Code.

Under the Plan provisions, any employee of the State is eligible to participate in the Plan if he/she has been an employee of the State for at least 12 consecutive months preceding any employer contributions to the Plan, and is making continuous monthly deferrals of at least \$25 to the Missouri State Public Employees' Deferred Compensation Plan. As of March 2010, employer incentive (match) associated with the State of Missouri Deferred Compensation Plan was suspended. Participating employees are 100% vested.

The first employer contributions to the Plan were made in January 1996. The Plan receives contributions from employers as well as rollovers from other qualified plans. During fiscal year 2020, net rollovers and contributions to ICMA-RC were \$22,094,000.

Copies of the Plan's financial statements may be requested from:

Plan Administrator
c/o MOSERS
P.O. Box 209
907 Wildwood Drive
Jefferson City, Missouri 65102-0209

Note 10 - Changes in Short-Term Liabilities

The State uses a bank overdraft line of credit to compensate for timing in cash payments and receipts.

The following is a summary of the changes in short-term liabilities for the year ended June 30, 2020 (in thousands of dollars):

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Governmental Activities:				
Bank Overdraft	\$ 2	\$ 1,993,046	\$ (1,993,046)	\$ 2

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 11 - Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2020 (in thousands of dollars):

	*Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020	Due Within One Year
Governmental Activities:					
Due to Other Entities	\$ 1,403	\$ 26	\$ —	\$ 1,429	\$ 645
General Obligation Bonds Payable	66,120	—	(21,590)	44,530	15,880
Other Bonds Payable	2,523,955	217,290	(277,110)	2,464,135	286,560
Unamortized Bond Premium	137,782	24,455	(33,175)	129,062	—
Obligations under Financed Purchase	30,748	6,258	(14,247)	22,759	10,837
Obligations under Lease Purchase	45,595	—	(3,532)	42,063	3,649
Pollution Remediation	48,805	1,059	(1,600)	48,264	2,653
Asset Retirement Obligations	1,792	—	—	1,792	—
Compensated Absences	176,588	224,053	(210,226)	190,415	160,596
Claims Liability	160,235	625,956	(635,183)	151,008	104,847
Contingent Liabilities	30,405	7,859	(10,434)	27,830	22,096
2 nd Injury Fund Contingent Liabilities	2,071,889	178,673	(76,559)	2,174,003	76,559
Net Other Postemployment Benefit Obligation	2,950,608	318,399	(359,324)	2,909,683	—
Net Pension Liability	6,580,774	1,407,221	(1,051,016)	6,936,979	—
Total Governmental-Type Activities	<u>\$ 14,826,699</u>	<u>\$ 3,011,249</u>	<u>\$ (2,693,996)</u>	<u>\$ 15,143,952</u>	<u>\$ 684,322</u>
Business-Type Activities:					
Obligations under Financed Purchases	\$ 2	\$ —	\$ (2)	\$ —	\$ —
Claims Liability	82,438	13,985	(11,260)	85,163	12,500
Grand Prize Winner Liability	113,473	101,383	(87,657)	127,199	98,307
Asset Retirement Obligations	2	2	(2)	2	—
Compensated Absences	4,660	8,341	(7,735)	5,266	5,203
Net Other Postemployment Benefit Obligation	55,767	7,151	(6,561)	56,357	—
Net Pension Liability	149,654	62,415	(46,616)	165,453	—
Total Business-Type Activities	<u>\$ 405,996</u>	<u>\$ 193,277</u>	<u>\$ (159,833)</u>	<u>\$ 439,440</u>	<u>\$ 116,010</u>

*Beginning balances as of June 30, 2019 have been restated (see Note 18).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt

Bonds:

Bonds are long-term liabilities and are reconciling items from governmental fund financial statements to government-wide financial statements. On the Government-Wide Statement of Net Position, the long-term liabilities are shown as the amounts due within one year from the date of the statement and the amounts due in more than one year from the date of the statement.

General Obligation Bonds:

The Board of Fund Commissioners of the State of Missouri, upon voter approval and subsequent authorization of the General Assembly, issues general obligation bonds that are secured by a pledge of the full faith, credit, and resources of the State. The principal and interest amounts are transferred one year in advance from the General Fund or other funds to the debt service funds from which principal and interest payments are made. Three types of general obligation bonds are currently outstanding. Proceeds from the Water Pollution Control Bonds were used to provide funds for the protection of the environment through the control of water pollution. Proceeds from the Fourth State Building Bonds were used to provide funds for improvements of buildings and property of higher education institutions, Department of Corrections, and the Division of Youth Services. Proceeds from the Stormwater Control Bonds were used to provide funds to protect the environment through the control of stormwater.

To take advantage of lower interest rates, the Board of Fund Commissioners has issued bonds to refund various outstanding bond issues. The following indicates the refunding bonds issued by the Board (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Water Pollution Control Bonds:				
Series A 2010-Refunding	7/27/10	\$ 81,450	A 2001	\$ 15,030
			A 2002	20,225
			B 2002-Refunding	12,990
			A 2005-Refunding	8,595
			A 2007	31,385
Fourth State Building Bonds:				
Series A 2010-Refunding	7/27/10	9,060	A 2002-Refunding	8,970
			A 2005-Refunding	1,470
Series A 2012-Refunding	9/27/12	100,395	A 2002-Refunding	110,535
Stormwater Control Bonds:				
Series A 2010-Refunding	7/27/10	15,150	A 2001	7,320
			A 2002	8,475
			A 2005-Refunding	905

The additional principal amount of the refunding bonds does not decrease the amount of the authorization.

As of June 30, 2020, \$594,494,240 of the Water Pollution Control Bonds; \$250,000,000 of the Fourth State Building Bonds; and \$45,000,000 of the Stormwater Control Bonds have been issued. The remaining authorization for the Water Pollution Control Bonds is \$130,505,760 and for Stormwater Control Bonds is \$155,000,000. There is no remaining authorization for the Fourth State Buildings Bonds.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

General obligation bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Water Pollution Control Bonds:						
Series A 2007	4.0 - 5.0%	6/1; 12/1	11/07	12/1/21	\$ 50,000	\$ 3,885
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	81,450	26,650
Fourth State Building Bonds:						
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	9,060	2,960
Series A 2012-Refunding	2.0 - 4.0%	10/1; 4/1	9/12	10/1/21	100,395	6,080
Stormwater Control Bonds:						
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	15,150	4,955
Total General Obligation Bonds					<u>\$ 256,055</u>	<u>\$ 44,530</u>
Less: Amount in Sinking Fund for payment of Principal						(18,113)
						<u>\$ 26,417</u>

As of June 30, 2020, general obligation debt service requirements for principal and interest in future years were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 15,880	\$ 1,666	\$ 17,546
2022	16,560	964	17,524
2023	12,090	302	12,392
Totals	<u>\$ 44,530</u>	<u>\$ 2,932</u>	<u>\$ 47,462</u>

Other Bonds:

The Board of Public Buildings of the State of Missouri, upon the approval of the General Assembly, issues revenue bonds for building projects and commits state agencies to lease space in these buildings. The General Assembly appropriates to the Board, on behalf of the state agencies, amounts sufficient to pay the principal and interest on the bonds, maintain certain required reserves, and to pay the costs of operations. The total amount authorized for the Board equals \$1,545,000,000.

To take advantage of lower interest rates, the Board of Public Buildings has issued bonds to refund various outstanding bond issues. The following indicates the refunding bonds issued by the Board (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Board of Public Buildings:				
Series A 2011-Refunding	09/27/11	\$ 143,020	A 2001	\$ 126,850
			A 2003	12,620
			A 2006	3,175
Series A 2012-Refunding	08/23/12	278,835	A 2003	285,340
Series A 2013-Refunding	10/11/13	29,370	A 2003	30,195
Series A 2014-Refunding	08/19/14	88,680	A 2006	87,225
Series A 2015-Refunding	04/01/15	20,250	A 2011-Refunding	21,380
Series A 2020-Refunding	03/26/20	38,920	A 2011-Refunding	40,350

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

The additional principal amount of the refunding bonds does not decrease the amount of the authorization.

As of June 30, 2020, the Board of Public Buildings Bonds had issued \$1,192,915,000 of the bond authorization. The remaining authorization is \$352,085,000.

The Board of Public Buildings Bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Board of Public Buildings:						
Series A 2011-Refunding	1.0 - 5.0%	4/1; 10/1	9/11	10/1/28	\$ 143,020	\$ 25,080
Series A 2012-Refunding	2.0 - 5.0%	4/1; 10/1	8/12	10/1/28	278,835	185,850
Series A 2013-Refunding	2.0 - 5.0%	4/1; 10/1	10/13	10/1/28	29,370	19,635
Series A 2014-Refunding	1.0 - 5.0%	4/1; 10/1	8/14	10/1/30	88,680	70,800
Series A 2015-Refunding	5.0%	4/1; 10/1	4/15	10/1/24	20,250	20,250
Series A 2015	3.0 - 5.0%	4/1; 10/1	4/15	10/1/39	36,805	32,200
Series B 2015	3.0 - 5.0%	4/1; 10/1	9/15	4/1/30	60,000	42,050
Series A 2016	3.0 - 4.0%	4/1; 10/1	5/16	4/1/36	100,000	75,805
Series A 2017	2.0 - 5.0%	4/1; 10/1	9/17	4/1/32	77,165	64,400
Series A 2018	3.0 - 5.0%	4/1; 10/1	5/18	4/1/38	47,740	42,735
Series A 2020-Refunding	3.0 - 3.25%	4/1; 10/1	3/20	10/1/25	38,920	38,920
Total Board of Public Buildings Bonds					<u>\$ 920,785</u>	<u>\$ 617,725</u>

As of June 30, 2020, the debt service requirements for principal and interest in future years for the Board of Public Buildings Bonds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 52,635	\$ 21,115	\$ 73,750
2022	55,000	18,653	73,653
2023	57,260	16,395	73,655
2024	59,220	14,106	73,326
2025	61,690	11,646	73,336
2026-2030	264,670	29,166	293,836
2031-2035	48,500	6,480	54,980
2036-2040	18,750	1,396	20,146
Totals	<u>\$ 617,725</u>	<u>\$ 118,957</u>	<u>\$ 736,682</u>

The Missouri Health and Educational Facilities Authority (MOHEFA) issued \$35,000,000 of Educational Facilities Revenue Bonds (University of Missouri-Columbia Arena Project) Series 2001, dated November 1, 2001, to fund the design, acquisition, construction, furnishing, and equipping of a sports arena facility and related facilities on the University of Missouri-Columbia campus. MOHEFA issued \$20,125,000 of Educational Facilities Refunding Revenue Bonds Series 2011, dated November 17, 2011. The Refunding Educational Facilities Revenue bonds refunded \$22,770,000 of Educational Facilities Revenue Bonds Series 2001. These bonds are special, limited obligations of the Authority and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

The Educational Facilities Revenue Bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Educational Facilities Revenue Bonds:						
Series 2011-Refunding	2.0 - 5.0%	4/1; 10/1	11/11	10/1/21	<u>\$ 20,125</u>	<u>\$ 4,805</u>

As of June 30, 2020, the debt service requirements for principal and interest in future years for the Educational Facilities Revenue Bonds (based on the financing agreement between the State and the Authority) were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 2,340	\$ 182	\$ 2,522
2022	2,465	61	2,526
Totals	<u>\$ 4,805</u>	<u>\$ 243</u>	<u>\$ 5,048</u>

The Regional Convention and Sports Complex Authority issued \$132,910,000 of Convention and Sports Facility Project Bonds Series A 1991, dated August 15, 1991, to finance the costs of acquiring land and constructing a multi-purpose convention and indoor sports facility in downtown St. Louis, Missouri. On December 15, 1993, the Authority issued \$121,705,000 of Convention and Sports Facility Project Refunding Bonds Series A 1993 for the purpose of refunding the callable portions of the outstanding bonds issued in August 1991 and to pay the costs of additions and enhancements to the project. The outstanding principal amount refunded was \$101,410,000. On August 1, 2003, the Authority issued \$116,030,000 of Convention and Sports Facility Project Refunding Bonds Series A 2003 for the purpose of refunding Convention and Sports Facility Project Bonds Series A 1991 and Series A 1993 refunding bonds and to pay the costs of additions and enhancements to the project. The outstanding principal amount refunded was \$2,845,000 for the Series A 1991 bonds and \$113,170,000 for the Series A 1993 refunding bonds. On August 20, 2013, the Authority issued \$65,195,000 of Convention and Sports Facility Project Refunding Bonds Series A 2013 for the purpose of refunding Convention and Sports Facility Project Refunding Bonds Series A 2003. The principal amount refunded was \$64,385,000. These bonds are limited obligations of the Authority and do not constitute a pledge of the full faith and credit of the State.

The Convention and Sports Facility Project Bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Convention and Sports Facility Project Bonds:						
Series A 2013-Refunding	2.0 - 5.0%	2/15; 8/15	8/13	8/15/21	<u>\$ 65,195</u>	<u>\$ 18,590</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

As of June 30, 2020, the debt service requirements for the principal and interest in future years for the Convention and Sports Facility Project Bonds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 9,070	\$ 703	\$ 9,773
2022	9,520	238	9,758
Totals	<u>\$ 18,590</u>	<u>\$ 941</u>	<u>\$ 19,531</u>

Under a financing agreement dated August 1, 1991, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount of \$10,000,000 for principal and interest and \$2,000,000 for maintenance each year. Future payments to the Authority related to the bond repayment as of June 30, 2020, were as follows (in thousands of dollars):

Fiscal Year Ended June 30	State Debt Service Payments
2021	\$ 10,000
2022	5,000
Total	<u>\$ 15,000</u>

The Missouri Development Finance Board (MDFB) issued \$92,660,000 of Series 2014 Bonds dated December 10, 2014 and \$97,225,000 of Series 2016 Bonds dated December 15, 2016, to fund the replacement of the Fulton State Hospital. These bonds are special, limited obligations of the Board and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

The MDFB – Fulton State Hospital Project Bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Fulton State Hospital						
Project Bonds:						
Series 2014	2.125 - 5.0%	4/1; 10/1	12/14	10/1/39	\$ 92,660	\$ 80,440
Series 2016	4.0 - 5.0%	4/1; 10/1	12/16	10/1/39	97,225	89,620
Total Fulton State Hospital Bonds					<u>\$ 189,885</u>	<u>\$ 170,060</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

As of June 30, 2020, the debt service requirements for principal and interest in future years for the Fulton State Hospital Project Bonds (based on the financing agreement between the State and the Board) were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 5,625	\$ 6,717	\$ 12,342
2022	5,910	6,428	12,338
2023	6,210	6,125	12,335
2024	6,475	5,855	12,330
2025	6,710	5,617	12,327
2026-2030	37,770	23,786	61,556
2031-2035	45,750	15,733	61,483
2036-2040	55,610	5,822	61,432
Totals	\$ 170,060	\$ 76,083	\$ 246,143

The Missouri Development Finance Board (MDFB) issued \$33,800,000 of Series A 2016 Bonds dated March 11, 2016, to fund the State Historical Society project. These bonds are special, limited obligations of the Board and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

The MDFB – State Historical Society Project Bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
State Historical Society Project Bonds:						
Series A 2016	2.0 - 5.0%	4/1; 10/1	3/16	10/1/35	\$ 33,800	\$ 28,765

As of June 30, 2020, the debt service requirement of the State for principal and interest in future years for the State Historical Society Project were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 1,415	\$ 903	\$ 2,318
2022	1,480	831	2,311
2023	1,530	779	2,309
2024	1,555	748	2,303
2025	1,605	692	2,297
2026-2030	8,810	2,608	11,418
2031-2035	10,165	1,124	11,289
2036	2,205	35	2,240
Totals	\$ 28,765	\$ 7,720	\$ 36,485

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

State Road Bonds:

The Missouri Highways and Transportation Commission authorized by Article IV, Section 29-34 of the Missouri Constitution and Section 226.133 of the State Highway Act, issues bonds for highway construction and repairs. Under the Missouri Constitution, the principal and interest of the State Road Bonds are payable solely from the revenues of the Missouri Road Fund. State Road Bonds have the following levels of priority: Senior Bonds, First Lien Bonds, Second Lien Bonds, and Third Lien Bonds. Proceeds from State Road Bonds are used for the purpose of constructing and maintaining the State's highways. As of June 30, 2020, the Missouri Highways and Transportation Commission had issued \$3,990,565,000. In addition, Senate Concurrent Resolution 14 authorized \$301,000,000 in Missouri Highways and Transportation Commission bonds to renovate bridges and other important transportation infrastructure. In fiscal year 2020, the Third Lien State Road Bonds, Series B 2019 were issued in the amount of \$178,370,000. These bonds are payable from the General Revenue Fund.

To take advantage of lower interest rates, the Missouri Highways and Transportation Commission has issued Bonds to refund various outstanding bond issues. The following indicates the refunding bonds issued by the Commission (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Senior Lien State Road Bonds:				
Series C 2010-Refunding	11/10/10	\$ 130,390	A 2001	\$ 11,135
			A 2002	18,405
			A 2003	111,760
Series A 2014-Refunding	6/3/14	589,015	A 2006	149,150
			B 2006	503,330
Series B 2014-Refunding	6/3/14	311,975	2007	325,290
Series A 2019-Refunding	5/13/19	102,705	A 2008	68,605
			A 2009	42,695

The State Road Bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Missouri Highways and Transportation Commission:						
State Road Bonds						
Series B 2009	4.802 - 5.252%	5/1; 11/1	9/09	5/1/33	\$ 404,375	\$ 404,375
Series C 2009-Third Lien	4.313 - 5.213%	5/1; 11/1	11/09	5/1/29	300,000	220,365
Series A 2010	1.50 - 5.00%	5/1; 11/1	3/10	5/1/22	128,865	16,355
Series B 2010	4.72 - 5.02%	5/1; 11/1	3/10	5/1/25	56,135	56,135
Series C 2010-Refunding	3.00 - 5.00%	2/1; 8/1	11/10	2/1/23	130,390	50,500
Series A 2014-Refunding	2.00 - 5.00%	5/1; 11/1	6/14	5/1/26	589,015	507,405
Series B 2014-Refunding	3.00 - 5.00%	5/1; 11/1	6/14	5/1/25	311,975	117,170
Series A 2019-Refunding	5.00 %	5/1; 11/1	5/19	5/1/25	102,705	73,515
Series B 2019	5.00 %	5/1; 11/1	12/19	11/1/26	178,370	178,370
Total Missouri Highways and Transportation Commission					<u>\$ 2,201,830</u>	<u>\$ 1,624,190</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

As of June 30, 2020, debt service requirements for principal and interest in future years for the Missouri Highways and Transportation Commission were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 215,475	\$ 85,472	\$ 300,947
2022	232,500	71,228	303,728
2023	217,885	60,228	278,113
2024	193,525	49,392	242,917
2025	200,785	39,711	240,496
2026-2030	438,670	87,243	525,913
2031-2033	125,350	13,809	139,159
Totals	<u>\$ 1,624,190</u>	<u>\$ 407,083</u>	<u>\$ 2,031,273</u>

Component Units' Bonds and Direct Placements - The following bonds are included in the balance sheet of the college and universities and the non-major component units.

Major

College and Universities:

The college and universities of the State issue revenue bonds for various projects on each respective campus. Bonds are payable, both principal and interest, only out of net income and revenues arising from operations of facilities funded by the bonds. As of June 30, 2020, debt service requirements for principal and interest for the college and universities were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Bonds from Direct Placements		Other Bonds		Totals
	Principal	Interest	Principal	Interest	
2021	\$ 11,496	\$ 3,592	\$ 32,167	\$ 85,834	\$ 133,089
2022	12,661	3,223	29,104	89,145	134,133
2023	13,009	2,853	41,399	87,946	145,207
2024	12,889	2,479	154,445	85,644	255,457
2025	7,363	2,110	69,816	82,603	161,892
2026-2030	33,403	7,457	541,650	356,901	939,411
2031-2035	29,445	2,826	487,246	244,574	764,091
2036-2040	4,015	137	264,422	178,984	447,558
2041-2045	—	—	342,637	83,573	426,210
2046-2050	—	—	6,075	46,003	52,078
2051-2055	—	—	250,000	29,976	279,976
Totals ⁽¹⁾	<u>\$ 124,281</u>	<u>\$ 24,677</u>	<u>\$ 2,218,961</u>	<u>\$ 1,371,183</u>	<u>\$ 3,739,102</u>

⁽¹⁾The bond schedule does not include notes payable, therefore, it differs from the bonds and notes payable amount reported in the statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

Non-Major

Missouri Development Finance Board:

In December 2000, the Board issued \$6,500,000 in St. Louis Convention Center Hotel Series 2000B, taxable infrastructure facilities revenue bonds and \$14,600,000 in St. Louis Convention Center Hotel Series 2000C, tax-exempt infrastructure facilities revenue bonds, respectively for the purpose of paying the costs of acquiring land and constructing a parking garage. These bonds were remarketing in June 2020 as \$4,590,000 2020B and \$4,730,000 2020C bonds, replacing 2000B and 2000C, respectively. Bonds are payable, both principal and interest, out of revenues derived from the operation of the parking garage.

In April 2010, the Board issued \$9,000,000 in Seventh Street Garage Series 2010, tax exempt infrastructure facilities revenue bonds.

The Missouri Development Finance Board Revenue Bonds issued and outstanding as of June 30, 2020, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Missouri Development Finance Board:						
Revenue Bonds						
Series 2010	Variable	monthly	4/10	5/1/40	\$ 9,000	\$ 4,252
Series 2020B	Variable	monthly	12/00	12/1/20	4,590	4,590
Series 2020C	Variable	monthly	12/00	12/1/20	4,730	4,730
Total Missouri Development Finance Board Revenue Bonds					<u>\$ 18,320</u>	<u>\$ 13,572</u>

As of June 30, 2020, the debt service requirements for principal and interest in future years for the Missouri Development Finance Board Revenue Bonds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2021	\$ 552	\$ 265	\$ 817
2022	562	253	815
2023	574	240	814
2024	585	227	812
2025	597	217	814
2026-2030	3,185	1,003	4,188
2031-2035	2,847	518	3,365
2036-2040	1,550	305	1,855
2041-2045	1,550	188	1,738
2046-2050	1,570	71	1,641
Totals ⁽¹⁾	<u>\$ 13,572</u>	<u>\$ 3,287</u>	<u>\$ 16,859</u>

⁽¹⁾The bond schedule does not include notes payable, therefore, it differs from the bonds and notes payable amount reported in the statements.

The annual debt service schedule assumes an interest rate of 1.506%, representing the interest rate at June 30, 2020, for the Series 2020B and Series 2020C bonds. The annual debt service also assumes an interest rate of 4.25%, representing the interest rate as of June 30, 2020, for the Seventh Street Garage Series 2010 bonds. As of June 28, 2012 through April 30, 2015, the Board entered into an interest deferral agreement whereby the bond interest rate for the Seventh Street Garage Series 2010 bonds is the lesser of the modified pay rate or 4.25% annually.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

Bond Transactions of the State of Missouri - The following schedule is a summary of bond activity for the fiscal year ended June 30, 2020 (in thousands of dollars):

	Governmental Funds		Component Units		Totals
	General Obligation Bonds	Other Bonds	Bonds from Direct Placements	Other Revenue Bonds	
Bonds Payable at July 1, 2019	\$ 66,120	\$ 2,523,955	\$ —	\$ —	\$ 2,590,075
Bond Issuance	—	217,290	—	—	217,290
Bonds Retired	(21,590)	(277,110)	—	—	(298,700)
Subtotal	44,530	2,464,135	—	—	2,508,665
College and Universities ⁽¹⁾	—	—	124,281	2,218,961	2,343,242
MO Development Finance Board	—	—	—	13,572	13,572
Bonds Payable at June 30, 2020	\$ 44,530	\$ 2,464,135	\$ 124,281	\$ 2,232,533	\$ 4,865,479

⁽¹⁾ Detailed information for college and universities are not shown.

Financed Purchases from Direct Borrowings:

The State has entered into various agreements for financed purchases from direct borrowings for buildings, equipment, and software. Through contracts with Central Bank, the State has a \$14.0 million obligation outstanding as of June 30, 2020, for governmental activities. These financed purchases are secured with collateral of capital assets in the amount of \$28.1 million. In the event of default, the lease shall be terminated and the resulting property returned to the lessor. If the termination is the result of non-appropriation, the State shall deliver the property to the lessor within 10 business days after the termination of the lease schedule. If the property is not delivered within 10 business days, then the State shall also be responsible for the payment of damages in an amount equal to the amount of the lease payments that would have thereafter come due on the lease schedule had it not been terminated. The State had an unused line of credit in the amount of \$15.2 million at the end of fiscal year 2020.

The State has entered into an agreement for financed purchases from direct borrowings for energy star equipment through a contract with Bank of America. These purchases are secured with capital assets as collateral with a value of \$44.2 million. The State has a \$6.4 million obligation outstanding as of June 30, 2020, for governmental activities. In the event of default, the lease shall be terminated and the resulting property returned to the lessor. If the termination is the result of non-appropriation, the State shall deliver the property to the lessor within 10 business days after the termination of the lease schedule. If the property is not delivered within 10 business days, then the State shall also be responsible for the payment of damages in an amount equal to the amount of the lease payments that would have thereafter come due on the lease schedule had it not been terminated. The State had no available line of credit at the end of fiscal year 2020.

Through a contract with IBM, the State has \$2.4 million of financed purchases from direct borrowings outstanding as of June 30, 2020, for governmental activities. These financed purchases are secured with capital assets in the amount of \$6.3 million. The State of Missouri can terminate the agreement with written notice prior to 90 days of each starting anniversary. Upon termination, the State will pay to IBM all amounts due and payable including cross-band allotment offerings, deferred payment settlement amounts for the listed software products, termination and/or financing prepayments and applicable taxes on or before the termination. The deferred payments settlement amount represents the non-financed amounts. The deferred payments are \$1.3 million if terminated on July 1, 2020. The State of Missouri may elect to cancel the fixed term license program under the agreement by giving IBM 30 day's written notice and may receive a prorated credit for a prepaid term. The prorated credit may be used to purchase IBM programs prior to the end date or termination of the remaining agreement. The credits are not transferable, cannot be converted to cash, and upon expiration eligible credit will be forfeited. The State had no available line of credit at the end of fiscal year 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 12 - Debt (cont.)

As of June 30, 2020, debt service requirements for principal and interest in future years for direct borrowings were as follows (in thousands of dollars):

Fiscal Year Ending	Financed Purchases from Direct Borrowings					
	Governmental Funds		Internal Service Funds		College and Universities	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 3,738	\$ 179	\$ 7,099	\$ 255	\$ 17	\$ 4
2022	3,345	96	4,954	94	18	3
2023	1,647	30	1,503	14	19	1
2024	378	5	5	—	5	—
2025	90	1	—	—	—	—
Total	\$ 9,198	\$ 311	\$ 13,561	\$ 363	\$ 59	\$ 8

Note 13 - Defeased Debt

A. Current Year Debt Defeasance

On December 4, 2019, the Missouri State University issued the Auxiliary Enterprise System Revenue Bonds, Series 2019A, in the amount of \$15,980,000, with interest rates ranging from 4.0% to 5.0%, to refund \$17,325,000 of the Series 2010B Build America Bonds. As a result, this bond is considered defeased and the liabilities for the bonds have been removed from the financial statements. As a result of the refunding, the University reduced its total debt service payments by \$1,134,209 to obtain an economic gain (difference between present values of the old and the new debt service payments) of \$1,084,722.

On December 4, 2019, the Missouri State University issued the Missouri Health and Educational Facilities Revenue Bonds, Series 2019B, in the amount of \$6,780,000, with interest rates ranging from 2.75% to 4.00%, to advance refund \$6,935,000 of the Series 2010B Build America Bonds. As a result, this bond is considered defeased and the liabilities for the bonds have been removed from the financial statements. As a result of the refunding, the University reduced its total debt service payments by \$469,681 to obtain an economic gain (difference between present values of the old and the new debt service payments) of \$443,446.

B. Cumulative Debt Defeasances

Various bond issues have been defeased by the advance refunding of bonds. Irrevocable escrow accounts, containing proceeds of the refunding bond issues in the form of cash and U.S. government securities, are used to pay principal, interest, or redemption prices of the defeased bonds as and when due.

For financial reporting purposes, the following debt has been defeased and therefore removed as a liability from the governmental activities and college and universities Statement of Net Position.

College and Universities - As of June 30, 2020, bonds outstanding of \$82,610,000 are defeased.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 14 - Payables and Receivables

A summary of accounts payable and accounts receivable at June 30, 2020, is shown below (in thousands of dollars):

	Governmental Activities	Business-Type Activities	Balance June 30, 2020
Accounts Payable:			
Taxpayers	\$ 275,891	\$ 174	\$ 276,065
Other Governments	96,487	3	96,490
Vendors	1,075,016	48,054	1,123,070
Employees	124,028	2,381	126,409
Other	137,246	196	137,442
Total Accounts Payable	\$ 1,708,668	\$ 50,808	\$ 1,759,476
Accounts Receivable with expected date of receipt within one year:			
Taxpayers	\$ 2,046,682	\$ 1,855	\$ 2,048,537
Other Governments	1,205,177	6,046	1,211,223
Vendors	138,260	—	138,260
Customers	218,299	198,948	417,247
Other	1,519,616	341	1,519,957
	5,128,034	207,190	5,335,224
Accounts Receivable with expected date of receipt greater than one year:			
Taxpayers	1,404,133	—	1,404,133
Other Governments	8	—	8
Vendors	25,724	—	25,724
Customers	152,846	92	152,938
Other	26,495	—	26,495
	1,609,206	92	1,609,298
Accounts Receivable	6,737,240	207,282	6,944,522
Amounts not expected to be collected	(653,156)	—	(653,156)
Accounts Receivable, net	\$ 6,084,084	\$ 207,282	\$ 6,291,366

Note 15 - Deferred Inflows and Outflows

Deferred outflows of resources are defined as consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows increase net position, similar to assets and deferred inflows decrease net position, similar to liabilities.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 15 - Deferred Inflows and Outflows (cont.)

The components of deferred outflows of resources and deferred inflows of resources reported in the government-wide financial statements as of June 30, 2020, are as follows (in thousands):

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Deferred Outflows of Resources				
Pension Differences Between Expected and Actual Experience	\$ 5,015	\$ 159	\$ 5,174	\$ 77,124
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	383,865	14,537	398,402	265,063
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	24,191	938	25,129	3,717
Pension Changes in Assumptions	282,271	7,483	289,754	156,325
Pension Contributions Subsequent to the Measurement Date	597,836	14,986	612,822	70,006
OPEB Differences Between Expected and Actual Experience	59,699	2,316	62,015	22,994
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	2,690	105	2,795	1
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	450	18	468	16
OPEB Changes in Assumptions	33,228	—	33,228	4,716
OPEB Contributions Subsequent to the Measurement Date	91,788	2,945	94,733	32
Asset Retirement Obligation Amortization	820	—	820	54,941
Deferred for Refunding Bonds	29,202	—	29,202	22,643
Cash Flow Hedge	—	—	—	20,193
Total Deferred Outflows of Resources	\$ 1,511,055	\$ 43,487	\$ 1,554,542	\$ 697,771
Deferred Inflows of Resources				
Pension Differences Between Expected and Actual Experience	\$ 94,276	\$ 2,177	\$ 96,453	\$ 26,566
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	14,499	—	14,499	—
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	276	6	282	27,850
OPEB Differences Between Expected and Actual Experience	98,373	879	99,252	4,723
OPEB Changes in Assumptions	249,649	2,765	252,414	101,337
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	—	—	—	2,116
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	—	—	142
Deferred for Refunding Bonds	876	—	876	—
Charitable Annuities	—	—	—	12,035
Total Deferred Inflows of Resources	\$ 457,949	\$ 5,827	\$ 463,776	\$ 174,769

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 15 - Deferred Inflows and Outflows (cont.)

Deferred inflows and outflows of resources balances are as follows (in thousands):

Deferred inflows of resources on the governmental funds balance sheet as of June 30, 2020, are unavailable revenues. Unavailable revenues are those for which asset recognition criteria has not been met for governmental funds, which uses the modified accrual basis of accounting (in thousands):

Governmental Funds	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Governmental Funds	Total
Deferred Inflows of Resources						
Unavailable Revenue	\$1,573,256	\$ 28,665	\$ 11,664	\$ 10,146	\$ 6,261	\$1,629,992

Proprietary	State Lottery	Missouri Veterans' Homes	Non-Major Funds	Total Enterprise Funds	Governmental Activities – Internal Service Funds
Deferred Outflows of Resources					
Pension Differences Between Expected and Actual Experience	\$ 18	\$ 131	\$ 10	\$ 159	\$ 130
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	1,639	11,940	958	14,537	11,853
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	106	770	62	938	718
Pension Changes in Assumptions	844	6,145	494	7,483	6,100
Pension Contributions Subsequent to the Measurement Date	1,531	11,860	1,595	14,986	11,196
OPEB Differences Between Expected and Actual Experience	263	1,902	151	2,316	1,768
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	12	86	7	105	80
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	2	15	1	18	13
OPEB Contributions Subsequent to the Measurement Date	303	2,336	306	2,945	2,068
Total Deferred Outflows of Resources	\$ 4,718	\$ 35,185	\$ 3,584	\$ 43,487	\$ 33,926
Deferred Inflows of Resources					
Pension Differences Between Expected and Actual Experience	\$ 245	\$ 1,788	\$ 144	\$ 2,177	\$ 1,775
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	1	4	1	6	146
OPEB Differences Between Expected and Actual Experience	100	722	57	879	670
OPEB Changes in Assumptions	314	2,271	180	2,765	2,111
Total Deferred Inflows of Resources	\$ 660	\$ 4,785	\$ 382	\$ 5,827	\$ 4,702

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 15 - Deferred Inflows and Outflows (cont.)

Fiduciary	Pension (And Other Employee Benefit) Trust Funds	Private- Purpose Trust Funds
Deferred Outflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ —	\$ 2
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	139
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	—	9
Pension Changes in Assumptions	—	71
Pension Contributions Subsequent to the Measurement Date	—	123
OPEB Differences Between Expected and Actual Experience	272	22
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	12	1
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	317	—
OPEB Contributions Subsequent to the Measurement Date	342	25
Total Deferred Outflows of Resources	\$ 943	\$ 392
Deferred Inflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ —	\$ 21
OPEB Differences Between Expected and Actual Experience	126	8
OPEB Changes in Assumptions	552	27
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	44	—
Total Deferred Inflows of Resources	\$ 722	\$ 56

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 15 - Deferred Inflows and Outflows (cont.)

Component Units	College and Universities	Non-Major
Deferred Outflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ 77,121	\$ 3
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	264,796	267
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	3,634	83
Pension Changes in Assumptions	156,187	138
Pension Contributions Subsequent to the Measurement Date	69,736	270
OPEB Differences Between Expected and Actual Experience	22,968	26
OPEB Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	1
OPEB Changes in Assumptions	4,716	—
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	16
OPEB Contributions Subsequent to the Measurement Date	—	32
Asset Retirement Obligation Amortization	54,941	—
Deferred for Refunding Bonds	22,643	—
Cash Flow Hedge	20,193	—
Total Deferred Outflows of Resources	\$ 696,935	\$ 836
Deferred Inflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ 26,526	\$ 40
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	27,501	349
OPEB Differences Between Expected and Actual Experience	4,712	11
OPEB Net Differences Between Projected and Actual Earnings on Pension Plan Investments	2,116	—
OPEB Changes in Assumptions	101,303	34
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	142
Charitable Annuities	12,035	—
Total Deferred Inflows of Resources	\$ 174,193	\$ 576

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 16 - Interfund Assets and Liabilities

A summary of interfund assets and liabilities at June 30, 2020, is shown below (in thousands of dollars):

	Due From Other Funds, Component Units, and Primary Government				
	Public Education	Conservation and Environmental Protection	Non-Major Governmental Funds	Non-Major Enterprise Funds	Internal Service Funds
Due to Other Funds, Component Units, and Primary Government					
General Fund	\$ —	\$ —	\$ —	\$ 60	\$ 7,294
Public Education	—	—	—	—	5
Conservation and Environmental Protection	—	—	—	19	148
Missouri Road Fund	—	—	—	—	384
Non-Major Governmental Funds	—	—	—	—	794
State Lottery	9,450	—	—	—	40
Unemployment Compensation	—	—	2,934	—	—
Missouri Veterans Homes	—	—	—	—	53
Non-Major Enterprise Funds	—	—	—	1	18
Internal Service Funds	—	—	—	—	245
Pension (and OPEB) Trust Funds	—	—	—	—	—
Non-Major Component Units	—	10	—	—	1
Totals	\$ 9,450	\$ 10	\$ 2,934	\$ 80	\$ 8,982

Continues Below

	Pension (and OPEB) Trust Funds	Totals
	Due to Other Funds, Component Units, and Primary Government	
General Fund	\$ —	\$ 7,354
Public Education	—	5
Conservation and Environmental Protection	—	167
Missouri Road Fund	—	384
Non-Major Governmental Funds	—	794
State Lottery	—	9,490
Unemployment Compensation	—	2,934
Missouri Veterans Homes	—	53
Non-Major Enterprise Funds	—	19
Internal Service Funds	25,579	25,824
Pension (and OPEB) Trust Funds	62	62
Non-Major Component Units	—	11
Totals	\$ 25,641	\$ 47,097

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 16 - Interfund Assets and Liabilities (cont.)

	<u>Advance From Component Units</u>
	Non-Major Component Units
<u>Advance To Component Units</u>	
Conservation and Environmental Protection	\$ 108

The loans from the component units were for animal waste treatment systems.

During the consolidation process for the Government-Wide Statement of Net Position, interfund payables and receivables were eliminated as follows: \$1,000 on the face of the Proprietary Funds Statements of Net Assets and governmental activities in the amount of \$8,870,000.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 17 - Interfund Transfers

All transfers must be legally authorized by the legislature through transfer appropriations. Interfund transfers for the fiscal year ended June 30, 2020, were as follows (in thousands of dollars):

Transfers In:					
	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Governmental Funds
Transfers Out:					
General Fund	\$ —	\$ 1,047,154	\$ 1,048	\$ 50,000	\$ 275,185
Public Education	32,446	—	—	—	—
Conservation and Environmental Protection	749	—	—	—	1,086
Non-Major Governmental Funds	15,152	4,003	—	456,665	5,570
State Lottery	—	319,716	—	—	—
Unemployment Compensation	2,219	—	—	—	4,019
Non-Major Enterprise Funds	197	—	—	—	689
Internal Service Funds	3,411	—	—	—	26
Totals	\$ 54,174	\$ 1,370,873	\$ 1,048	\$ 506,665	\$ 286,575

Continues Below

	Missouri Veterans' Homes	Non-Major Enterprise Funds	Internal Service Funds	Totals
Transfers Out:				
General Fund	\$ —	\$ —	\$ 20	\$ 1,373,407
Public Education	—	—	—	32,446
Conservation and Environmental Protection	—	—	—	1,835
Non-Major Governmental Funds	13,000	—	2	494,392
State Lottery	—	—	—	319,716
Unemployment Compensation	—	—	—	6,238
Non-Major Enterprise Funds	—	—	—	886
Internal Service Funds	—	90	33	3,560
Totals	\$ 13,000	\$ 90	\$ 55	\$ 2,232,480

Principal reasons for interfund transfers include:

- moving general revenue funds to support elementary and secondary education
- moving state lottery funds to support elementary and secondary education
- moving general revenue funds to support social assistance programs reported in non-major governmental funds
- moving funds related to the construction of capital assets

During fiscal year 2020, there were transfers of \$9,000 from internal service funds to the General Fund. These were transfers of capital assets and are therefore not reported on the Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances or on the reconciliation above. This is because governmental funds use the modified accrual basis of accounting and therefore do not report capital assets on their financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 18 - Restatements

During fiscal year 2020, additional information became available which required fund equity amounts. The following table presents a summary of these restatements by fund (in thousands of dollars):

	June 30, 2019 Fund Balance/Net Position Previously Reported	Prior Period Adjustments	June 30, 2019 Fund Balance/Net Position Restated
GOVERNMENTAL FUNDS			
Major Governmental Funds			
General Fund	\$ 2,127,323	\$ 513	\$ 2,127,836
Public Education	266,747	(28)	266,719
Conservation and Environmental Protection	2,020,543	(2)	2,020,541
Missouri Road Fund	677,480	2,569	680,049
Non-Major Governmental Funds			
Special Revenue	483,583	458	484,041
Total Governmental Funds	\$ 5,575,676	\$ 3,510	\$ 5,579,186
PROPRIETARY FUNDS			
Major Proprietary Funds			
Missouri Veterans' Homes	\$ (116,821)	\$ (55)	\$ (116,876)
Non-Major Proprietary Funds			
Enterprise	100,704	(382)	100,322
Internal Service	300,394	70	300,464
Total Proprietary Funds	\$ 284,277	\$ (367)	\$ 283,910
DISCRETELY PRESENTED COMPONENT UNITS			
College and Universities	\$ 6,226,386	\$ 33,080	\$ 6,259,466
Total Component Units	\$ 6,226,386	\$ 33,080	\$ 6,259,466

Breakdown of restatements by type:

- General Fund, the restatement was due to a decrease in accounts receivable of \$20,000 and a decrease of accounts payable of \$533,000.
- Public Education, the restatement was due to a decrease in accounts receivable of \$30,072,000 and a decrease in deferred inflows for unavailable revenues of \$30,044,000.
- Conservation and Environmental Protection, the restatement was due to a decrease in accounts receivable of \$13,522,000 and a decrease in deferred inflows for unavailable revenue of \$13,520,000.
- Missouri Road Fund, the increase in fund balance of \$2,569,000 was due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.
- Non-major special revenue funds, the restatement was due to a decrease in accounts receivable of \$1,268,000, a decrease in deferred inflows for unavailable revenues of \$1,248,000, and a decrease in accounts payable of \$478,000.
- Missouri Veterans' Homes, the restatement was due to an decrease in capital assets (net of accumulated depreciation/amortization) of \$53,000 and an increase of obligations under financed purchase of \$2,000.
- Non-major enterprise funds, the restatement was due to a decrease in loans receivable of \$65,000 and a decrease in capital assets (net of accumulated depreciation/amortization) of \$317,000.
- Non-major internal service funds, the restatement was due to a decrease in accounts receivable of \$208,000, an increase of capital assets (net of accumulated depreciation/amortization) of \$1,071,000, and an increase of obligations under financed purchase of \$793,000.
- Discretely presented component units - colleges and universities, the increase in net position of \$33,080,000 for University of Missouri was due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 18 - Restatements (cont.)

Purpose for restatements:

The items on the schedule were restated as a result of additional information received this year related to prior year corrections.

On the Government-Wide Statement of Activities, net position for the governmental activities were restated by the amounts shown on the restatement schedule for governmental funds and internal service funds. In addition, internal balance decreased by \$82,000, capital assets (net of accumulated depreciation/amortization) decreased by \$2,016,000, obligations under financed purchase decreased by \$1,570,000, obligations under lease purchase increased by \$7,876,000, asset retirement obligation increased by \$3,000, deferred outflows decreased \$3,831,000 relating to deferred outflows for OPEB contributions subsequent to the measurement date, and a decrease in net position of \$44,812,000 due to the recognition of revenue previously classified as a deferred inflow of resources in the special revenue funds causing it to no longer be a reconciling item to the Statement of Net Position.

On the Government-Wide Statement of Activities, net position for the business-type activities were restated by the amounts shown on the restatement schedule for enterprise funds and by a increase in internal balance of \$82,000.

Note 19 - Fund Deficit

The following funds had a deficit balance:

Enterprise Funds – State Lottery and Missouri Veterans’ Homes, Internal Service Funds – Natural Resources Cost Allocation, Economic Development Administrative, and Professional Registration Fees and Component Unit Funds – Missouri Wine and Grape – At June 30, 2020, these funds had a net position deficit of \$8,865,000, \$125,550,000, \$20,786,000, \$3,333,000, \$9,948,000, and \$683,000 respectively. These funds have deficit balances due to the fiscal year 2015 implementation of GASB 68 and the reporting of net pension liabilities and the fiscal year 2018 implementation of GASB 75 and the reporting of OPEB liabilities. It is expected that these liabilities will be funded over time.

Enterprise Fund – Petroleum Storage Tank Insurance – At June 30, 2020, this fund had a net position deficit of \$48,658,000. The deficit at June 30, 2019 was \$45,569,000. The deficit occurred when transport load fees collected were not sufficient to cover the estimated claims liability for clean up of petroleum storage tank leaks. This liability amount is the cumulative result of numerous years of petroleum storage tank leaks. Per Section 319.129, RSMo, this fund will not accept new claim liabilities after December 31, 2025, or upon revocation of federal regulation 40 CFR, whichever occurs first, unless extended by action of the General Assembly. Under Section 319.132, RSMo, the Board of Trustees has authority to increase the transport load fee to a maximum of \$60 per 8,000 gallons. In addition, under Section 319.133, RSMo, the Board can increase annual participation fees to a maximum of \$500 per tank per year. These facts, along with the knowledge that PSTIF’s claim reserves are set using very conservative assumptions, assure that adequate revenues will be available to meet its liabilities. Per Section 319.131, RSMo, the liability of the Petroleum Storage Tank Insurance Fund is not the liability of the State. Upon dissolution of this fund, the liability would be liquidated.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 20 - Tax Abatement's

The State has entered into various agreements to provide tax abatement's through certain programs that provide economic benefit to the State.

Tax Abatement Program	Amount of Taxes Abated during Fiscal Year 2020 (in thousands)
Housing	
Missouri Low Income Housing Tax Credit	\$ 131,706
Neighborhood Preservation Tax Credit	3,659
Business Recruitment	
Missouri Quality Jobs	37,669
Missouri Works - Business Incentives	113,472
Missouri Works New Jobs Training	3,674
Missouri Works Job Retention Training	2,906
Missouri Manufacturing Jobs Act	13,840
Business Use Incentives for Large-Scale Development	8,898
Enhanced Enterprise Zone	4,716
Business Facility Tax Credit	7,556
Amateur Sports Ticket Sales Tax Credit	1,392
Rebuilding Communities Tax Credit	17
Development Tax Credit	175
Data Center Sales Tax Exemption	— *
Redevelopment	
Historic Preservation Tax Credit	88,487
Brownfield Remediation	9,645
TOTAL	\$ 427,812
Chapter 100 Personal Property Tax Exemption - maximum amount exemption certificates issued	\$ — **

*Confidential

** No certificates were provided under Chapter 100

Housing

The Missouri Low Income Housing Tax Credit (MOLIHTC) is authorized by Sections 135.350-135.363, RSMo, and provides a tax credit to qualified owners of affordable rental housing. To qualify upon application, a development must 1) rent at least 20% of its units to families earning 50% of the area median family income, 2) rent at least 40% of its units to families earning 60% of the area median family income, each adjusted for family size or 3) rents at least 40% of its units to families whose income does not exceed the income limitation designated for the respective unit, where the average of the income-designated units may not exceed 60% AMGI. The MOLIHTC generates equity investments that are purchased by the private sector for the development of new or rehabilitated rental housing which enables owners to lower rents to affordable levels for low-income families. The investor of the MOLIHTC can redeem the credit by applying it dollar for dollar to the following types of tax liabilities: income tax, corporate franchise tax, insurance premium tax, other financial institutions tax, or express company tax. MOLIHTC properties must comply with tenant eligibility, property maintenance, and fair housing law throughout a 15-year period. The Missouri Housing Development Commission monitors the properties for compliance and reports non-compliance to the Internal Revenue Service and Missouri Department of Revenue. Property owners found to be out of compliance are subject to recapture through the provisions of Section 135.355, RSMo and IRS §42. No new MOLIHTC's have been authorized by the State since 2017. Redemptions were made on MOLIHTC's authorized/issued in prior years. The MOLIHTC reduced state taxes by \$131,706,000 during fiscal year 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 20 - Tax Abatement's (cont.)

The Neighborhood Preservation Tax Credit is authorized by Sections 135.475-135.487, RSMo, and provides incentives for homeowners in lower income areas who rehabilitate or construct owner-occupied homes in qualifying or eligible areas of the State. Upon application, the eligible property must be in a qualifying area with a median household income of less than 70% of the median household income for the metropolitan statistical area (MSA) or non-MSA; or be located in an eligible area with a median household income of 70-89% of the median household income for the applicable MSA or non-MSA. Recipients are eligible to receive a credit for 15% of eligible costs up to \$25,000 per residence for new residences in eligible areas; 15% of eligible costs up to \$40,000 per residence for new residences in qualifying areas; 25% of eligible costs with a minimum of \$10,000 and not to exceed \$25,000 per residence for substantial rehabilitation in eligible areas; 35% of eligible costs with a minimum of \$5,000 or 50% of purchase price and not to exceed \$70,000 per residence for substantial rehabilitation in qualifying areas; and 25% of eligible costs with a minimum of \$5,000 and not to exceed \$25,000 per residence for non-substantial rehabilitation in qualifying areas. The abatement's can be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. A taxpayer, other than the owner-occupant who receives a certificate of tax credit, shall have 30 days within the date of the sale to furnish satisfactory proof that the residence was sold at market to the Director of the Department of Economic Development (DED). If the Director determines that the residence was not in good faith intended for long-term owner occupancy, then the Director may revoke any tax credits issued and seek recovery of those credits pursuant to Section 620.017, RSMo. There are no other commitments made as part of the agreement. The Neighborhood Preservation Tax Credit reduced state taxes by \$3,659,000 during fiscal year 2020.

Business Recruitment

Missouri Quality Jobs is authorized by Sections 620.1875-620.1890, RSMo and provides tax incentives to qualified companies for facilitating the creation of new jobs or the retention of existing jobs in the State. This program has been replaced by Missouri Works, except for current projects. To qualify, the company must create a minimum number of jobs within the project facility within 2 to 3 years after the approval of the Notice of Intent and must maintain those jobs for the duration of the benefit. The average wage of the new jobs must equal or exceed the average county wage and the company must offer health insurance and pay at least 50% of the premium. The company must also submit an annual report. Companies may retain 100% of withholding tax that would otherwise be paid into the State or receive tax credits based on the percentage of new payroll or a combination of both for the new or retained jobs approved. The credits can be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. Missouri Quality Jobs reduced state taxes by \$37,669,000 during fiscal year 2020.

The Missouri Works - Business Incentives is authorized by Sections 620.2000-620.2020, RSMo and provides tax incentives for qualified companies to create or retain jobs in the State. There are several sub-programs under this program with different qualifications for each. To qualify for the credits, a company must create or retain a minimum number of new jobs at the project facility with average wages of 80%, 90%, 100%, 120%, or 140% of the county average wage, depending upon the sub-program. The company must offer health insurance and pay at least 50% of the premium. The company must meet the requirement for new private capital investments, ranging from \$0 to \$500 million. The company must meet the required number of jobs at the applicable % of the county average wage within 2 years of the Approval of the Notice of Intent and must maintain those minimums for the duration of the benefit. The company must also submit an annual report documenting the jobs created, total payroll, and health insurance requirements. Companies may retain 100% of withholding tax that would otherwise be paid into the State or receive tax credits based on the percentage of new payroll or a combination of both for the new or retained jobs approved. The credits can be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. Taxes may be recaptured due to misrepresentation, out-of-state relocation, or failure to file an annual report. The agreement requires 100% of the benefits received to be repaid within 60 days for misrepresentation or out-of state location or one year for failure to file an annual report. There are no other commitments made as part of the agreement. Missouri Works - Business Incentives reduced state taxes by \$113,472,000 during fiscal year 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 20 - Tax Abatement's (cont.)

Missouri Works New Jobs Training and Job Retention Training are authorized by Sections 620.800-620.809, RSMo. New Jobs Training provides assistance to eligible companies to train workers in newly created jobs. To qualify, the company must create new jobs in the state; the project must include eligible training costs, as well as other eligibility criteria such as types of occupations, wage rates, and turnover rates. Job Retention Training provides training assistance to eligible companies for job retention efforts. To qualify, a project must be for an existing Missouri company making a capital investment of at least 5 times the total project costs, retaining at least 100 eligible jobs at the facility for at least one year, be located in a border community, or be determined to represent substantial risk of relocation. Eligible companies for both programs include manufacturing, research and development, or those engaged in interstate commerce. The company must retain the eligible jobs in the project for at least 5 years and use the funding only toward eligible project costs. These programs are administered locally through community colleges. While the recipient's taxes are not actually reduced, a portion of normal withholding payments (paid to the Department of Revenue) are deferred to pay for eligible project costs. The amount that can be deferred is 2.5% of the payroll for the first 100 jobs in the project and 1.5% of the payroll for the remaining jobs in the project. The company may file withholding claims for the project until the budgeted project funds are disbursed; typically for a period of 3-5 years, with maximum limit of 8 years. There are no other commitments under these programs. Recapture provisions apply in accordance with Section 620.017, RSMo in which the recipient shall repay training funds under these programs if the jobs included in the project are moved out of Missouri or are eliminated within five years of the date the project is approved by DED. The Director of the Division of Workforce Development within DED shall have the authority and discretion to exempt the recipient in whole or in part of such repayment. Missouri Works New Jobs Training and Job Retention Training reduced state taxes by \$3,674,000 and \$2,906,000, respectively, during fiscal year 2020.

The Missouri Manufacturing Jobs Act is authorized by Section 620.1910, RSMo and provides incentives in the form of retaining withholding taxes to expand manufacturing facilities for an existing product or the creation of a new product. This program sunset in 2016 and no new applications are being accepted. To qualify, manufacturing companies must have a North American Industry Classification System (NAICS) of 33611, which is an establishment primarily engaged in (1) manufacturing complete automobile and light duty motor vehicles or (2) manufacturing automobile and light duty motor vehicle chassis. The company must manufacture goods at a facility in the state throughout the period benefits are received, and make a capital investment at a facility of at least \$75,000 per retained job for the manufacture of a new product within 2 years of beginning to retain withholding taxes or commit to make a capital investment of at least \$50,000 per retained job at the facility for the modification or expansion of the manufacture of an existing product within 2 years of beginning to retain withholding taxes. Qualified suppliers of an eligible manufacturer must attest to DED that they derive more than 10% of its total annual sales revenue from sales to a qualified manufacturing company, add 5 or more new jobs for a period of 3 years, pay wages for the new jobs equal to or exceeding the county average wage using the NAICS industry classification, but are not less than 60% of the statewide average wage, and the company must offer health insurance and pay at least 50% of the premium. If qualified, the company is allowed to retain 100% of the withholding tax that would otherwise have been paid in to the state for those jobs for 10 years for qualified manufacturers or 3 to 5 years for qualified suppliers. There are no provisions for recapture and no other commitments are made as part of the agreement. The Missouri Manufacturing Jobs Act reduced state taxes by \$13,840,000 during fiscal year 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 20 - Tax Abatement's (cont.)

Business Use Incentives for Large-Scale Development (BUILD) is authorized by Sections 100.700-100.850, RSMo. The incentives offered by the BUILD Missouri Program are designed to offset infrastructure and other capital costs of certain large projects by making the cost of investing in Missouri more competitive. The costs are financed through the issuance of Board of Certificates (bonds or notes), where the principal and interest will be repaid by the business. Businesses are then reimbursed for these repayments through the issuance by the Board of Missouri state income tax credits. The businesses may use these credits against taxes, which would otherwise be due, or to obtain a refund if the business has insufficient Missouri income tax liability to offset the credit. A business can apply these credits against income tax, bank tax, insurance premium tax, or other financial institutions tax. To qualify, an eligible industry in manufacturing, processing, assembly, research and development, agricultural processing or services in interstate commerce must invest a minimum of \$15 million; or \$10 million for an office industry in an economic development project; and create a minimum of 100 new jobs at the project facility within 3 years, or a minimum of 500 jobs if the project is an office industry, or a minimum of 200 new jobs if the project is an office industry located within a distressed community as defined in Section 135.530, RSMo. The tax credits become subject to recapture if the company does not expend the minimum investment on or before the first test date established in the program agreement, or create and maintain the minimum number of new jobs on or before the first test date. The first test date is the last day of the closest calendar quarter ending 3 years following bond closing. The tax credits are also subject to recapture if the company eliminates or announces its intention to eliminate all the new jobs at the project within 2 years of the first test date. If subject to recapture, the company shall, within 30 days following written demand from the Board, reimburse the Board in full for the face amount of the tax credits received from the date of execution of the program agreement to the date of such demand. There are no other commitments made as part of the agreement. The BUILD program reduced state taxes by \$8,898,000 during fiscal year 2020.

The Enhanced Enterprise Zone is authorized by Sections 135.950-135.973, RSMo and provides tax credits to new or expanding businesses in enhanced enterprise zones. To qualify, a company must create or maintain at least 2 new jobs and make at least \$100,000 in eligible investments. In addition, a Notice of Intent must be approved by DED, and the business must submit an annual report. Eligibility for the credit is determined by the zone based on creation of sustainable jobs in a targeted industry or demonstrated impact on local industry cluster development. Taxes are reduced by claiming a tax credit against the Missouri income tax liability owed to the state. The tax credits are calculated at 2% of new payroll and 0.5% of new investment. There are no provisions for recapture and no other commitments are made as part of the agreement. The Enhanced Enterprise Zone reduced state taxes by \$4,716,000 during fiscal year 2020.

The Business Facility Tax Credit is authorized by Sections 135.100-135.150 and Section 135.258, RSMo and provides to facilitate the expansion of new or existing facilities in Missouri. To qualify, a Notice of Intent must be approved by DED; the facility must create at least 2 new jobs and make \$100,000 in eligible investments or pursuant to House Bill 191 (2009), for "headquarters" that commence operations and "headquarters" of certain "employee-owned" businesses that commence or expand operations must create 25 new jobs and make \$1,000,000 in new investment. The company must submit an annual report to DED. Taxes are reduced by claiming a tax credit against the Missouri tax liability owed to the state. The tax credits are calculated as \$75 to \$150 per new job and \$75 to \$150 for each \$100,000 in new investment for up to 10 years. The tax credits for headquarters are calculated as the greater of \$400 per new job plus 4% of new investment or \$500 per new job plus \$500 per each \$100,000 in new investment for up to 10 years. The credit may be applied against income tax, insurance premium tax, or insurance company retaliatory tax. This program has sunset as of January 1, 2005 except headquarters that commence or expand operations on or before January 1, 2025 may be eligible for the program. There are no provisions for recapture and no other commitments are made as part of the agreement. The Business Facility Tax Credit reduced state taxes by \$7,556,000 during fiscal year 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
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Note 20 - Tax Abatement's (cont.)

The Amateur Sports Ticket Sales Tax Credit is authorized by Section 67.3000, RSMo and provides an incentive to encourage the location of competitively bid amateur sporting events in Missouri. Upon application, applicants must submit predictions on the anticipated economic benefit to the state. Applicants will be evaluated based upon anticipated and verified economic performance. The program is available to one or more certified sponsors, endorsing counties, endorsing municipalities, or a local organizing committee, acting individually or collectively. The program provides tax credits equal to the lesser of: \$5 per admission ticket sold to the event; or 100% of eligible costs incurred by the applicant. The recipient is able to reduce their outstanding tax liability in an amount equal to the value of the tax credit and may be taken against income tax, bank tax, insurance premium tax, and other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Amateur Sports Ticket Sales Tax Credit reduced state taxes by \$1,392,000 during fiscal year 2020.

The Rebuilding Communities Tax Credit is authorized by Section 135.535, RSMo and provides a tax credit for eligible businesses locating, relocating, or expanding within a distressed community. This program has been replaced by Missouri Works, except for current projects. To qualify, a business must have fewer than 100 full-time employees, 75% of which must be located in the distressed community; be primarily engaged in manufacturing, biomedical, medical devices, scientific research, animal research, computer software design, computer software development or computer programming, which includes Internet, web hosting, and other information technology, wireless, wired or other telecommunications, or a professional firm. The business must submit an annual tax credit application documenting eligible expenditures on the project to DED. Once approved, the tax credit is calculated at 40% or 25% of the qualifying expenditures and may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Rebuilding Communities Tax Credit reduced state taxes by \$17,000 during fiscal year 2020.

The Development Tax Credit is authorized by Sections 32.100-32.125, RSMo and provides incentives to facilitate a business project in order to create new jobs. This program has been replaced by Missouri Works, except for current projects. Tax credits are issued to approved taxpayers that make an eligible donation to a non-profit corporation. The non-profit leases assets to an approved company. The company must create a specified number of jobs within 2 years and be in a distressed or blighted area. In many instances, the taxpayer that makes the donation is also the company that is creating the economic impact. The donor that makes the contribution must submit a tax credit application to DED. Once approved, taxes are reduced by claiming a tax credit against Missouri tax liability owed to the state. The tax credit is calculated at 50% of the eligible donation and may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, other financial institutions tax, or express company tax. No other commitments are made as part of the agreement. DED may recapture tax credits up to the amount issued if the non-profit fails to complete the project or comply with the agreement. The non-profits only and not the donors are subject to the recapture. The Development Tax Credit reduced state taxes by \$175,000 during fiscal year 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
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Note 20 - Tax Abatement's (cont.)

Chapter 100 Personal Property Tax Exemption is authorized by Section 144.054 (2), RSMo and provides a state and local sales tax exemption on tangible personal property leased by a company from the City or County. To qualify, cities and counties may apply to DED on behalf of eligible companies for which Chapter 100 bond proceeds are used to purchase tangible personal property, which is leased back to the company. DED may apply discretionary benefit exemption if the benefit contained in a formal DED proposal is accepted by the company. Since DED cannot enact the sales tax exemption on the lease without the underlying Municipality Chapter 100 in place, any inclusion in a formal DED proposal will be coordinated with the Municipality and their economic developer. The proposal must have been accepted by the company prior to any project announcements, no approval or issuance of the bonds may have taken place, and the tangible personal property may not have been purchased prior to the acceptance of the proposal. The project must also be competitive, have comprehensive local incentive participation, have above average wages with benefits, be located in an economically distressed or blighted area, have a positive state fiscal impact, and have an indication that the municipality has offered the local Chapter 100 exemptions. The company receives the exemption on sales tax as the facility, construction materials, and certain tangible personal property may be purchased as exempt by the City or County and then leased back to the company. The company will be responsible for the payment of sales tax on purchases exceeding the maximum accepted in the proposal, ineligible purchases, or the revenue stream generated by lease of ineligible personal property. There are no provisions for recapture and no other commitments are made as part of the agreement. The sales tax is applicable to the lease payments made over a period not to exceed 20 years by statute and restricted further by local ordinance. The sales tax exemptions are only applicable if tangible personal property purchases are made within established project time periods, as listed on the certificate. For fiscal year 2020 no certificates were provided for the exemption of state sales tax related to lease payments of tangible personal property under a Chapter 100 structure.

Data Center Sales Tax exemption is authorized by Section 144.810, RSMo and incentivizes the location and expansion of data centers in the state by providing an exemption of the sales and use taxes associated with a variety of activities necessary to build a new facility or expand an existing facility. To qualify, companies must create 5 new jobs and \$5 million in investment for expanding facilities or create 10 new jobs and \$25 million in investment for new facilities within certain time frames. A company is refunded their sales and use taxes for new purchases related to the data center project for the period prior to meeting the threshold for participation and then are exempt for a period of no more than 10 years for expanding facilities or 15 years for a new facility. Taxes may be subject to recapture if the full investment projected is not met or if the jobs created are not maintained, causing the cost/benefit to the State to be negative, or if the company does not meet the minimum thresholds. Taxes will be recaptured up to the amount that creates a positive cost/benefit to the state, or if the company does not meet the minimum thresholds, the full exemptions to date must be repaid. No other commitments are made as part of the agreement. The amount that state taxes were reduced is confidential under Section 32.057, RSMo.

Redevelopment

The Historic Preservation Tax Credit is authorized by Sections 253.545-253.561, RSMo and provides an incentive for the redevelopment of commercial and residential historic structures in the state. Upon application, the eligible property must be listed on the National Register of Historic Places, be certified by the Department of Natural Resources (DNR) as contributing to the historical significance of a certified historic district listed on the National Register, or located within a local historic district that has been certified by the U.S. Department of Interior. The costs and expenses associated with the rehabilitation must exceed 50% of the total basis of the property. All approved applicants must commence rehabilitation within 2 years of the date of issuance of the letter of approval from DED. The program provides state tax credits equal to 25% of eligible costs and expenses of the rehabilitation of approved historic structures, which the recipient is able to use to reduce their outstanding tax liability in an amount equal to the value of their tax credit. The credit may be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Historic Preservation Tax Credit reduced state taxes by \$88,487,000 during fiscal year 2020.

STATE OF MISSOURI
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Note 20 - Tax Abatement's (cont.)

Brownfield Remediation is authorized by Sections 447.700-447.718, RSMo and provides incentives to businesses or developers to redevelop property contaminated with hazardous waste. To qualify, the property must be abandoned or underutilized for at least 3 years, and contaminated with hazardous substance, the applicant cannot be a responsible party, the project must be accepted into DNR Voluntary Cleanup Program, the project must be endorsed by city or county government, must create at least 10 new jobs or retain 25 jobs, the project must create a positive net state economic benefit, and must demonstrate need for the credits. The recipient is able to reduce their outstanding tax liability in an amount equal to the value of the tax credit. The tax credits may be issued for up to 100% of eligible costs and expenses for remediating the project property. The tax credit may also include up to 100% of the costs of demolition that are not directly part of the remediation activities. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation. DED will issue 75% of the credits upon adequate proof of payment of the costs; the remaining 25% will not be issued until a clean letter has been issued by DNR. The tax credits may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. The tax credits may be subject to recapture in the event the owner sells the abandoned or underutilized property within a 5 year period after the receipt of remediation tax credits, grants, loans or loan guarantee. Subject to Sections 447.700-447.718, RSMo, the owner shall repay a portion of the tax credits and grant funds provided based on the percentage of the owner's investment for the project to DED's total financial assistance, upon achieving an annual internal rate of return of 25%. The internal rate of return calculation shall be documented by the owner's capital gains tax calculation. Owner investment is equity and debt for the eligible project. At the end of the project, a purchaser who has performed voluntary remediation action certifies to DNR that the goals of the purchaser's voluntary remediation plan have been attained. DNR verifies the remediation plan goals are achieved and issues a certificate that states that the site has been cleaned up to DNR standards pertaining to the property itself and therefore protects both current and future owners of the property. Brownfield Remediation reduced state taxes by \$9,645,000 during fiscal year 2020.

Note 21 - Commitments

Contracts

The Department of Conservation had contracts outstanding of \$990,000 for construction and \$74,000 for land acquisition contracts at June 30, 2020. These contracts are funded through the special revenue funds from specific sales tax, fees, and permits.

The Department of Natural Resources had construction contracts outstanding at June 30, 2020 of \$73,000. These projects are funded through a special revenue fund, a capital projects fund and an enterprise fund.

The Department of Transportation had long-term contracts of \$996,525,000 outstanding at June 30, 2020. These contracts are paid from capital projects funds with approximately 78% federal reimbursement expected.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
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Note 21 - Commitments (cont.)

The Office of Administration, Division of Facilities Management, Design and Construction, had construction contracts outstanding at June 30, 2020 of \$30,539,000. Approximately 40.2% will be paid from the General Fund, 39.5% from special revenue funds, 17.7% will be paid from the capital projects funds, and 2.6% will be paid from an enterprise fund.

On March 10, 1988, the State of Missouri entered into a contract with the United States Army Corps of Engineers confirming an assurance agreement of April 8, 1965. The State obtained rights to a portion of the water supply storage from the Clarence Cannon Dam and Mark Twain Lake Project. The State agreed to pay up to \$11.2 million plus interest for the investment costs allocated to the water supply storage, the amount of such payments to be determined by the portion of the water storage space put in use by the State for that purpose. The contract provided a ten year interest free period running from 1984 to 1994. In fiscal year 1995, the State began making interest payments. The interest payment amount for fiscal year 2020 was \$364,000. Payment of principal and interest must be completed by March 2038.

As of June 30, 2020, the University of Missouri had outstanding commitments for the usage and ongoing support of the University Health System's information technology environment totaling \$145,519,000. The payments are as follows:

2021	\$	27,224,000
2022		28,133,000
2023		29,073,000
2024		30,043,000
2025		31,046,000

Truman State University had approximately \$243,000 in outstanding commitments for various construction contracts at June 30, 2020.

Southeast Missouri State University had outstanding commitments of approximately \$3,350,000 related to construction contracts at June 30, 2020.

Missouri State University had approximately \$16,000,000 in outstanding commitments for various construction contracts at June 30, 2020.

University of Central Missouri had approximately \$5,640,000 in outstanding commitments related to construction contracts at June 30, 2020.

Northwest Missouri State University had approximately \$8,855,000 in outstanding commitments related to various construction contracts at June 30, 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
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Note 22 - Risk Management and Insurance

The State is exposed to various risks of loss related to tort, general, motor vehicle, and contractor liability and injuries to employees. The State assumes its own liability for risks except for the purchase of surety bond, aircraft, and boiler coverage. The State's Office of Administration (OA), Risk Management Unit, self-insures its workers' compensation program for all state employees, with the exception of the Missouri Department of Transportation (MoDOT) and the State Highway Patrol. Liability insurance is also provided by OA-Risk Management, pursuant to state statute, through the State's Legal Expense Fund, which is a component of the General Fund in this report. This insurance covers all state employees.

The Workers' Compensation and Legal Expense Fund claims liability is based upon actual claims that have been submitted to OA-Risk Management. Incurred but not reported (IBNR) liability is not included since workers' compensation and liability insurance claims are reported timely, and therefore any potential IBNR liability amount would be considered immaterial. The State has not had any insurance settlements exceed the coverage. OA-Risk Management also procures property insurance for approximately 3% of all state buildings, with the remainder uninsured. The buildings are insured through purchased property insurance and through the Property Preservation Fund. Buildings insured through the Property Preservation Fund are backed with bonded debt through the Board of Public Buildings.

The Transportation Self-Insurance Plan covers workers' compensation for employees of MoDOT and the State Highway Patrol, and covers vehicle liability and general liability insurance for the employees of MoDOT. The Transportation Self-Insurance Plan is presented as an internal service fund. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Estimated pending self insurance claims represent the expected losses to be realized on known claims pending and include minor non-incremental claims adjustment expenses. Estimated unreported claims represent expected losses or claims incurred but not reported. Amounts are reported based on actuarial calculations. Liabilities for incurred losses related to workers' compensation and general and vehicle liability claims are reported at their discounted value, assuming an investment yield of 2.0%.

The Missouri Consolidated Health Care Plan (MCHCP) provides health care insurance to all state employees, except for MoDOT, the State Highway Patrol, and the Department of Conservation. The Plan for active employees is presented as an internal service fund. Estimated claims payable is based on known medical claims pending as well as an estimate of IBNR claims from data provided by an actuary.

The MoDOT and MSHP Medical and Life Insurance Plan (MHPML) accounts for the medical coverage provided on a self-insured basis and life insurance benefits, for employees of MoDOT and the State Highway Patrol. The Plan is presented as an internal service fund. Estimated claims payable is established from an actuarial report, which is based on data by MoDOT and claims administrators.

The Conservation Employees' Insurance Plan (CEIP) provides health care and life insurance to employees of the Department of Conservation. The Plan is presented as an internal service fund. Estimated claims payable is based on known claims pending as well as an estimate of IBNR claims.

The Petroleum Storage Tank Insurance Fund (PSTIF) has claims liability for the cost of contamination cleanup for participants and other eligible site owners who have submitted notice of a contamination. The PSTIF is presented as a non-major enterprise fund.

The University of Missouri System provides workers' compensation, liability, and medical insurance for its employees. The University funds this through a combination of self-insurance and commercially purchased insurance. The amount of coverage is based upon analysis of historical information and actuarial estimates. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The claims liability is the present value of the claims, using discount rates ranging between 1.00% and 3.50% based on expected future investment yield assumptions. The University of Missouri System is included with college and universities as a major component unit of the State.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 22 - Risk Management and Insurance (cont.)

Missouri State University is exposed to various risks of loss. These include loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accidental benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to general liability, workers' compensation, natural disasters, and employee health benefits. Settled claims have not exceeded the commercial coverage in any of the three preceding years. Additional coverage is provided through the State Self-Insurance Program, through the Risk Management Unit of the Office of Administration. The State of Missouri self-insures the workers' compensation benefits for all state employees, including University employees.

Southeast Missouri State University is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, business interruption, errors and omissions, employee injuries and illnesses; natural disasters and employee health and accident benefits. The University purchases commercial insurance and also receives coverage through the State of Missouri for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Changes in the balances of claims liability (in thousands of dollars) during the current and prior fiscal years are as follows:

	Type of Insurance Claims	Fiscal Year Claims Liability 6/30/2019	Current Year Claims and Estimated Changes	Claim Payments	Fiscal Year Claims Liability 6/30/2020
<u>Governmental Activities</u>					
OA Workers Compensation Fund	Workers Comp.	\$ 26,566	\$ 28,451	\$ (31,776)	\$ 23,241
OA Legal Expense Fund	Liability	3,074	540	(671)	2,943
Transportation Self-Insurance Plan	Workers Comp. and Liability	75,246	12,115	(18,516)	68,845
MCHCP	Health Care	42,820	439,516	(439,738)	42,598
MHPML	Health Care	9,600	125,442	(124,542)	10,500
CEIP	Health Care	2,929	19,892	(19,940)	2,881
		<u>\$ 160,235</u>	<u>\$ 625,956</u>	<u>\$ (635,183)</u>	<u>\$ 151,008</u>
<u>Business-Type Activities</u>					
PSTIF	Contamination Cleanup	<u>\$ 82,438</u>	<u>\$ 13,985</u>	<u>\$ (11,260)</u>	<u>\$ 85,163</u>
<u>Component Units</u>					
University of Missouri System	Workers Comp. and Liability	\$ 85,270	\$ 267,341	\$ (263,283)	\$ 89,328
Missouri State University	Health Care, Workers Comp. and Liability	2,715	25,126	(25,674)	2,167
Southeast Missouri State University	Workers Comp. and Liability	—	4,183	\$ (2,464)	\$ 1,719
		<u>\$ 87,985</u>	<u>\$ 296,650</u>	<u>\$ (291,421)</u>	<u>\$ 93,214</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
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Note 22 - Risk Management and Insurance (cont.)

	Type of Insurance Claims	Fiscal Year Claims Liability 6/30/2018	Current Year Claims and Estimated Changes	Claim Payments	Fiscal Year Claims Liability 6/30/2019
<u>Governmental Activities</u>					
OA Workers Compensation Fund	Workers Comp.	\$ 29,058	\$ 29,750	\$ (32,242)	\$ 26,566
OA Legal Expense Fund	Liability	3,682	3,688	(4,296)	3,074
Transportation Self-Insurance Plan	Workers Comp. and Liability	81,444	11,399	(17,597)	75,246
MCHCP	Health Care	46,137	489,425	(492,742)	42,820
MHPML	Health Care	12,500	120,904	(123,804)	9,600
CEIP	Health Care	3,132	15,967	(16,170)	2,929
Total Governmental Activities		<u>\$ 175,953</u>	<u>\$ 671,133</u>	<u>\$ (686,851)</u>	<u>\$ 160,235</u>
<u>Business-Type Activities</u>					
PSTIF	Contamination Cleanup	<u>\$ 84,018</u>	<u>\$ 14,240</u>	<u>\$ (15,820)</u>	<u>\$ 82,438</u>
<u>Component Units</u>					
University of Missouri System	Workers Comp. and Liability	\$ 85,846	\$ 222,659	\$ (223,235)	\$ 85,270
Missouri State University	Health Care, Workers Comp. and Liability	1,424	22,894	(21,603)	2,715
Total Component Units		<u>\$ 87,270</u>	<u>\$ 245,553</u>	<u>\$ (244,838)</u>	<u>\$ 87,985</u>

Risk Management Pool:

The State of Missouri participates in the property program of the Midwestern Higher Education Compact (MHEC) as defined in Section 173.700, RSMo. This program was formed to expand coverage, reduce costs, and stabilize property insurance rates over extended time periods at higher education institutions in all member states. The program offers loss limit coverage tailored to individual institutions as well as self-insured retention by institution. The MHEC Risk Management Oversight Committee directs the major operations of the program overseeing the development of program policies, premium allocations, new program memberships, and selection of program administrators and insurance underwriters.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 23 - Pollution Remediation and Landfill Closure and Postclosure

The State has an obligation to address current or potential detrimental effects of existing pollution by participating in pollution remediation activities.

The Missouri Department of Natural Resources (DNR) was compelled to assess and oversee the cleanup of contaminated sites subject to federal law under the Resource Conservation and Recovery Act (RCRA), also known as the Superfund Law, administered by the U.S. Environmental Protection Agency (EPA). Under this law, the State is required to pay or ensure payment of 10% of the costs of remediation action and 100% of the costs of operations and maintenance at sites where the party responsible for the contamination is unknown, uncooperative, or insolvent. Similarly, Section 260.371.7, RSMo, states that the public should bear a portion of the cost to pay for the State's share of Superfund cleanup to be appropriated from general revenue. At the end of fiscal year 2020, the State was participating in the cleanup of seventeen Superfund sites. Total pollution remediation obligation for these sites totaled approximately \$48.3 million. The basis for these costs are State Superfund contracts that list the estimated cost of cleanup, or actual costs if cleanup is complete, less any payments that have been made to the EPA. Estimated costs will change as actual costs become available. The Hazardous Waste Fund is a component of Conservation and Environmental Protection.

The Missouri Department of Transportation (MoDOT) is in remediation activities related to buildings and grounds caused by contamination and a fuel leak. The current pollution remediation obligation for these sites total approximately \$4.0 thousand. The potential for additional pollution remediation exists, however, any future remediation obligations are not yet estimable.

The Department of Public Safety, Office of the Adjutant General, has been named as a potentially responsible party in the Pools Prairie Superfund site in Newton County, Missouri. The site is listed on the National Priorities List (NPL) and is governed by the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). At this time, the Department of Public Safety's portion of the costs for the cleanup cannot be determined.

Changes in the balances of pollution remediation liability (in thousands of dollars) during the current fiscal year are as follows:

Governmental Activities	Type of Pollution Remediation	Fiscal Year Remediation Liability 6/30/2019	Current Year Assessments and Estimated Changes	Payments	Fiscal Year Remediation Liability 6/30/2020	Due Within One Year
DNR	Superfund Sites	\$ 48,801	\$ 1,059	\$ (1,600)	\$ 48,260	\$ 2,653
MoDOT	Buildings and Grounds Remediation	4	—	—	4	—
Total Governmental Activities		<u>\$ 48,805</u>	<u>\$ 1,059</u>	<u>\$ (1,600)</u>	<u>\$ 48,264</u>	<u>\$ 2,653</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 23 - Pollution Remediation and Landfill Closure and Postclosure (cont.)

Each landfill owner/operator is required to obtain a financial assurance instrument, which is held by the State as security in the case of a default or forfeiture. Financial assurance instruments can include financial guarantee or performance bonds, letters of credit, insurance policies, corporate guarantees, contracts of obligations, trust funds, and escrow accounts. At June 30, 2020, the DNR, Solid Waste Program tracked the value of the secured financial assurance instruments held by the State to be \$343.2 million. This amount is disclosed, but not reported in the financial statements, because the State does not perform the investment function and does not have significant administrative involvement. While the State maintains possession of the financial assurance instruments, it does not meet criteria to be reported in a fiduciary fund.

As of June 30, 2020, Missouri Department of Natural Resources (DNR) had ten active Municipal Solid Waste Landfills (MSWLFs), one Municipal Solid Waste Landfill (MSWLF) site in bankruptcy, one disposal transfer station and there was no defaults. The owners/operators failed to properly close or maintain post-closure care for these facilities; therefore, the State took possession of the forfeited financial assurance instruments to initiate the closure or post-closure activities as required by Section 260.228, RSMo. The State will monitor and pay post-closure care costs of these facilities for the next 30 years in accordance with the DNR Solid Waste Management Law and Regulations. At June 30, 2020, it is expected that \$1.5 million will be paid over the remaining monitoring periods. This is the amount of the assigned fund balance that has been designated on the General Fund balance sheet for forfeited assets.

The University of Missouri System has been working with the Voluntary Cleanup Program at DNR to characterize subsurface contamination on a University owned property. The University received the results of the two-year sampling process in fiscal year 2016. The University is awaiting a determination from DNR. The site is now on the National Regulatory Commission (NRC) license and must be decommissioned. Upon further review of the documents, the University determined that it does not believe that the documents support the decision to add the site to the NRC license due to an overestimated quantity of isotopes managed at the site. The University made a formal request to remove the site from the NRC license. NRC responded with a request for more information, including a dose assessment, which is estimated at a cost of \$15.0 thousand. If the NRC finds the dose assessment to be unacceptable, then the University will be required to fully decommission the site, including a sampling plan. The cost of a sampling plan to characterize the chemical contamination is estimated at \$1.0 million. The University has not commenced any actions requiring the recognition of a liability for this property.

Note 24 - Asset Retirement Obligations

The State has a legally enforceable obligation to perform future asset retirement obligations (ARO) related to its tangible capital assets.

The Missouri Department of Natural Resources (DNR) has a total ARO of \$1,720,000 for gas chromatographs, radiation detectors, petroleum above ground storage tanks, and permitted sewage treatment plants. Gas chromatographs and radiation detectors are considered radioactive sources and will not be accepted by the State's Surplus Property Program, thus requiring a cost for disposition. These ARO's are measured at the current cost of returning the items to the vendor. Gas chromatographs have remaining useful lives of 3 - 9 years and radiation detectors have remaining useful lives of 0 to 8 years. The ARO for petroleum above ground storage tanks is measured using the best estimate for taking the tanks out of service, which consists of emptying the tanks, removing the secondary containment, and proper disposal. Remaining useful lives of the tanks are 0 to 15 years. Aboveground storage tanks are regulated under the Missouri Code of State Regulations 2 CSR 90-30.050.16. The ARO for permitted sewage treatment plants is measured using the best estimate for closure of the facilities, which includes submitting a closure plan to DNR addressing wastewater and sludge removal, dewatering activities, removal of treatment structures, and removal of solid waste or leaving in place as a clean fill. Remaining useful lives of the plants is 0 to 47 years. Permitted sewage treatment plants are regulated by the Missouri Code of State Regulations 10 CSR 20-6-011.12 and the Federal Clean Water Act. The ARO for these items would be funded by state appropriations.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 24 - Asset Retirement Obligations (cont.)

The Missouri Department of Transportation (MoDOT) has an ARO of \$44,000 to properly dispose of all nuclear gauges used to measure physical properties of materials during its construction projects. The ARO is measured using the current cost of returning the items to the vendor and the assets have remaining estimated useful lives of 15 years. Disposal of the nuclear gauges is required by the Nuclear Regulatory Commission - NUREG 1556 Volume 1 Rev 2. The ARO will be funded by state appropriations.

The Department of Public Safety (DPS), Office of the Adjutant General, has an ARO of \$30,000 to take two underground storage tanks out of service. The ARO is measured using the current cost for closure and the assets have estimated remaining useful lives of 24 years. Underground storage tanks are regulated under the Missouri Code of State Regulations 10 CSR 26. The ARO will be funded by state appropriations.

The University of Missouri (MU) has an ARO based on its ownership of two nuclear research reactors which are regulated by the U.S Nuclear Regulatory Commission (NRC). The NRC requires the University to submit decommissioning funding plans every three years to retain the right to operate the reactors. The decommissioning funding plans update and adjust changes in costs to remediate and the extent of the estimated future contamination. The cost to decommission the reactors is based on a formula as set forth by the NRC as part of the licensing of the facilities. The ARO as of the end of fiscal year 2020 was \$62,433,000. The remaining useful lives of the reactors was 22 years.

The balances of the asset retirement obligations (in the thousands of dollars) during the current fiscal year are as follows:

Governmental Activities	ARO Liability at June 30, 2020
DNR	\$ 1,718
MoDOT	44
DPS	30
Total Governmental Activities	\$ 1,792
Business-Type Activities	
DNR	2
Component Units	
MU	\$ 62,433

Note 25 - Contingencies

Contingent Claims Liabilities

Contingent claims liabilities are reported when it is probable a loss has occurred and the amount can be reasonably estimated. These losses include estimates of claims which have been incurred but not reported, including the effects of specific, incremental claim adjustment expenditures/expenses, salvage, subrogation, and other allocated or unallocated claim adjustment expenditures/expenses. Liabilities of governmental funds are reported as a reconciling item to the Government-Wide Statement of Net Position. Expenditures are recognized as payments are made.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 25 - Contingencies (cont.)

As of June 30, 2020, the amount of contingent liabilities was \$27.8 million. Changes in reported liability since June 30, 2019, resulted from the following (in thousands of dollars):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance Fiscal Year End
2019-2020	\$ 30,405	\$ 7,859	\$ (10,434)	\$ 27,830
2018-2019	48,923	13,628	(32,146)	30,405
2017-2018	71,150	4,368	(26,595)	48,923

Section 287.220.8, RSMo, requires an actuarial study of the Second Injury Fund be made every year to determine solvency of the fund. Figures presented below for current year claims and changes in estimates are based on the 2019 actuarial study. As at June 30, 2020, the amount of liabilities for Second Injury Fund was \$2.2 billion. Changes in reported liability since June 30, 2019, resulted from the following (in thousands of dollars):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance Fiscal Year End
2019-2020	\$ 2,071,889	\$ 178,673	\$ (76,559)	\$ 2,174,003
2018-2019	1,953,168	213,020	(94,299)	2,071,889
2017-2018	1,840,186	213,633	(100,651)	1,953,168

The State receives federal grants which are subject to review and audit by federal grantor agencies. This could result in requests for reimbursements by the grantor agency for expenditures disallowed under grant agreements. The State believes such dis-allowances, if any, would be immaterial in the next fiscal year.

Tort Claim Lawsuits:

The Attorney General, on behalf of other state agencies, is involved in litigation for tort claims including wrongful death, motor vehicle accidents, medical malpractice, assault and battery, and deliberate indifference, as well as employment discrimination claims not included in the 2020 liability amount. It is reasonably possible an adverse court decision may incur an estimated loss of \$4.9 million.

Department of Social Services:

Little Sisters of the Poor v. Department of Social Services, No. 18AC-CC00262 (Cole County Circuit Court). This petition for review was filed on July 12, 2018, by 335 nursing facilities participating in the MO HealthNet program. They claim that the reduction of a per diem reimbursement rate by the department was invalid and contrary to the department's own regulation, The Cole County Circuit Court entered an order and judgment on May 22, 2019, concluding the department had violated its own regulation, the Medicaid Act requirements that apply to rate reductions, and the Equal Protection Clauses of the United States and Missouri Constitutions. If upheld, the resulting cost to the department and the State would be approximately \$44 million. The State filed a notice of appeal on June 28, 2019 and the Missouri Court of Appeals reversed. The nursing facilities have applied for transfer to the Supreme Court of Missouri. The ultimate resolution of the case on appeal cannot be predicted with any degree of certainty.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 25 - Contingencies (cont.)

Department of Health and Senior Services:

The Nurse Student Loan Program provides forgivable student loans to eligible Missouri undergraduate, graduate, post-graduate, and doctoral nursing students in exchange for service in underserved communities and facilities in the state. Current annual award levels, based on statute, are a one-time amount of \$2,500 for LPN students and \$5,000 for professional nursing students. Loans are repaid either through service in an underserved area, or via cash repayment at 9.5% simple interest. For repayment via service, participants provide one year of professional service for each school year a loan is received, up to a maximum of 5 years. The number of loans awarded per year varies based upon available funding, number of previous students anticipating continued funding, and number of eligible new applicants.

The Health Professional Student Loan Program is a competitive state program that awards forgivable loans to students pursuing health care training leading to Missouri licensure. Eligible disciplines are primary care physicians, primary care dentists, and dental hygienists. The amount of funding provided depends upon the student's chosen discipline and educational status. Repayment of loans can be completed either through obtaining employment to earn forgiveness or through cash repayment at 9.5% simple interest. Forgiveness is based upon the number of loans received and is earned at a rate of one year of professional service for each loan received, up to a maximum of 5 years. Qualifying employment is considered as full-time, direct patient care at a facility located in an area of need also referred to as a Health Professional Shortage Area.

The purpose of the Missouri Health Professional State Loan Repayment Program (SLRP) is to improve access to primary care by assisting rural and underserved communities with recruitment and retention of primary care providers. SLRP offers eligible healthcare providers an opportunity to receive up to \$50,000 in financial assistance towards the repayment of their qualifying educational loans in exchange for a minimum two-year commitment to provide healthcare services at an ambulatory public, nonprofit or private nonprofit primary care practice site located in a federally designated Health Professional Shortage Area (HPSA).

The Missouri Nurse Loan Repayment Program (NLRP) offers Registered Nurses (RNs) and Advanced Practice Registered Nurses (APRNs) an opportunity to receive financial assistance towards the repayment of their qualifying educational loans in exchange for a minimum two-year commitment to provide healthcare services in an area of defined need in the State of Missouri.

For all types of loan programs, in the event of a default, i.e. the loanee does not complete the service agreement, the loan status changes to repayment. In the event the loanee does not repay according to the terms of their agreement, the Department of Health and Senior Services will work with the Attorney General's Office to try to collect the outstanding receivables. The current total amount of loans outstanding is \$6.4 million; the total amount in repayment is \$2.4 million. There is no correlation between who will or will not repay their debt once a default has occurred since it is subject to each individual case and the legal remedies pursued. Therefore the amount of loss cannot be reasonably estimated.

Department of Corrections Settlements:

Hootselle v. Department of Corrections, No. 12AC-CC00518 (Cole County Circuit Court). This lawsuit was filed on August 14, 2012 by several corrections officers alleging that the Missouri Department of Corrections failed to compensate them for pre- and post-shift activities, including passing through security checkpoints and retrieving equipment such as keys and radios. The officers' union was later added as a plaintiff and asserted claims for breach of its collective bargaining agreement. Following a jury trial on the plaintiffs' breach of contract claims in August 2018, the court entered judgment against the State and for the class of \$113.7 million. The State filed a notice of appeal and the Missouri Court of Appeals affirmed the judgment. The case was transferred to the Supreme Court of Missouri and argued, but the decision has not yet been handed down. The ultimate resolution of the case on appeal cannot be predicted with any degree of certainty.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 25 - Contingencies (cont.)

Tobacco Master Settlement Agreement:

Under the 1998 Tobacco Master Settlement Agreement (“MSA”), Missouri receives annual settlement payments in perpetuity from Participating Manufacturers (“PMs”) of tobacco products. Each year on or about April 15th, Missouri receives an annual payment typically between \$120 and \$140 million. Annual MSA payments are subject to a downward adjustment if the PMs lose more than 2% of their pre-MSA market share to Non-Participating Manufacturers (“NPMs”). Individual states may avoid their share of this “NPM Adjustment” by enacting and diligently enforcing model legislation, which imposes certain escrow obligations on NPMs.

The tobacco manufacturers contest Missouri’s enforcement of the model legislation for 2004 and subsequent years, each of which is subject to binding arbitration. Arbitration regarding diligent enforcement for 2004 is ongoing. The state appointed arbitrator passed away in August 2019 and the state parties have selected another arbitrator who will begin reviewing the evidence and hear additional matters and argument in 2020. If the panel finds that Missouri was not diligent in 2004, the State will face a downward adjustment on the annual payment following the panel’s determination. The ultimate resolution of the 2004 proceeding, the timing of the panel’s decision, and the outcome of any subsequent arbitration proceedings between the tobacco manufacturers and Missouri cannot be predicted with any degree of certainty.

Contingent Gains

Contingencies that might result in gains are not reported on the statements since they are not realizable.

Natural Resource Settlements:

The Department of Natural Resources works jointly with the United States Fish and Wildlife Service and United States Forest Service to recover damages from parties responsible for causing injuries to natural resources. Funds from these settlements are typically held in the federal treasury in a joint account administered by the United States Department of Interior. Expenditures of these funds may only be by mutual agreement of the Missouri Trustee Council (the Department of Natural Resources, the United States Fish and Wildlife Service and, at times, United States Forest Service) and such funds may only be used to restore, replace, or acquire natural resources similar to those that were injured. As of June 30, 2020, the balance of Missouri-related joint settlement funds in the Department of Interior restoration fund is approximately \$49 million.

Note 26 - Nonexchange Financial Guarantees

The following nonexchange financial guarantees are extended by the Missouri Agricultural and Small Business Development Authority (MASBDA) and the Missouri Department of Agriculture (MDA). The exchange financial guarantees are not recognized as a liability, which indicates that the State will most likely not be required to make a payment related to the nonexchange financial guarantees. As of June 30, 2020, the State extends the following financial guarantees:

Programs	Maximum Guarantee Period	Total Number of Loans Outstanding	Total Dollar Amount of Loans Outstanding (in thousands)	Total Dollar Amount Guaranteed by the State (in thousands)
Missouri Value-Added Loan Guarantee Program	10 Years	2	\$ 212	\$ 106
Single-Purpose Animal Facilities Loan Guarantee Program	10 Years	4	318	159
Crop and Livestock Loan Guarantee Program	2 Years	11	29	14

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 26 - Nonexchange Financial Guarantees (cont.)

Missouri Value-Added Loan Guarantee Program

The Missouri Value-Added Loan Guarantee Program, authorized in Sections 348.400-348.415, RSMo, provides up to a 50% first-loss guarantee on loans, of \$250,000 or less, made by lenders for the purpose of agricultural business development. The loan guarantee is for a duration of up to 10 years. The program is intended to create new economic activity by creating or retaining jobs. Loans guaranteed by the value-added loan guarantee program can be used to finance agricultural property, which includes land, buildings, structures, improvements, and equipment used for the purpose of processing, manufacturing, marketing, exporting, or adding value to an agricultural product. Loans may also be guaranteed to buy stock in a new generation processing entity that processes an agricultural product. In the event of a default, the MASBDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. There were four loan defaults under this program in fiscal year 2020. The outstanding balance on judgments for amounts owed to the State totals \$50,200.

Single-Purpose Animal Facilities Loan Guarantee Program

The Single-Purpose Animal Facilities Loan Guarantee Program, authorized in Sections 348.185-348.225, RSMo, is designed to provide banks and other lenders with a 50% first-loss guarantee on loans of up to \$250,000 for up to 10 years. Independent livestock producers may use the loans to finance, refinance or restructure breeding or feeder livestock, earthworms, land, buildings, facilities, equipment, machinery and animal waste systems for producing poultry, swine, beef and dairy cattle, or other livestock. In the event of a default, the MASBDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. There were no loan defaults under this program in fiscal year 2020.

Crop and Livestock Loan Guarantee Program

The Crop and Livestock Loan Guarantee Program, authorized in Section 261.027(3), RSMo, is a 50% guarantee on a loan made to a 4-H and Future Farmers of America (FFA) member who borrows money to purchase livestock, input, etc., for their Supervised Agriculture Education (SAE) project. Loans eligible for the program are limited to the purchase of livestock, feed, seed, fertilizer, and other miscellaneous out-of-pocket expenses directly related to the project. In the event of a default, the MDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. As of June 30, 2020, there are four loan defaults under this program. The outstanding balance on judgments for amounts owed to the State totals \$1,500.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 27 - Joint Ventures

The Regional Convention and Sports Complex Authority was created by state law for the purpose of financing, constructing, operating, and maintaining a multipurpose convention and sports facility to be located in the City of St. Louis. The Authority operates under a board of commissioners of whom five are appointed by the Governor of the State, three by the County Executive of St. Louis County, and three by the Mayor of the City of St. Louis. The Authority is granted all rights and powers necessary to plan, finance, construct, equip, and maintain the facility.

The Authority is considered a joint venture of the State, County, and City because it constitutes a contractual agreement for public benefit in which the State, County, and City retain an ongoing financial responsibility for the Convention and Sports Facility Project Bonds. In August 1991, the Authority issued \$258,670,000 of Convention and Sports Facility Project Bonds. The bonds were sponsored in the amount of \$132,910,000 by the State (Series A), \$65,685,000 by the County (Series B), and \$60,075,000 by the City (Series C). In December 1993, the Authority issued \$181,885,000 in Convention and Sports Facility Project and Refunding Bonds to advance refund \$101,410,000 and \$50,275,000 of the outstanding 1991 Series A and Series B bonds, respectively, and for additional construction costs. The bonds were sponsored in the amount of \$121,705,000 by the State (Series A) and \$60,180,000 by the County (Series B). In February 1997, the Authority issued \$61,285,000 in Series C refunding bonds to advance refund \$47,155,000 of the outstanding 1991 Series C bonds. In August 2003, the Authority issued \$116,030,000 of Convention and Sports Facility Project and Refunding Bonds Series A 2003 to refund \$2,845,000 and \$113,170,000 of Series A 1991 and Series A 1993 refunding bonds, respectively, and for additional construction costs. In May 2007, the Authority issued \$49,585,000 in Series C 2007 refunding bonds to refund \$61,285,000 of original principal of the Series C 1997 refunding bonds. In August 2013, the Authority issued \$65,195,000 in Series A 2013 refunding bonds to refund \$65,385,000 of Series A 2003 bonds and issued \$32,560,000 in Series B 2013 refunding bonds to refund \$32,180,000 of Series B 2003 bonds.

Pursuant to a financing agreement entered into in August 1991, and terminating in August 2021, the Authority leased the facility to the sponsors who subleased the facility back to the Authority. The payments made by the State, County, and City under the financing agreement are sufficient to pay the principal and interest on the bonds. See *Note 12* for the specific debt service requirements that make up the State's ongoing financial responsibility for this joint venture.

Summary financial information for the Authority as of and for the fiscal year ended December 31, 2019, is presented below (in thousands of dollars):

Total Assets	\$ 158,429
Total Deferred Outflows of Resources	204
Total Assets and Deferred Outflows of Resources	<u>\$ 158,633</u>
Total Liabilities	\$ 43,552
Total Net Position	115,081
Total Liabilities and Net Position	<u>\$ 158,633</u>
Total Revenues	\$ 24,799
Total Expenses	15,098
Net Increase in Net Position	<u>\$ 9,701</u>

Copies of the Authority's financial statements may be requested from:

St. Louis Regional Convention
and Sports Complex Authority
901 North Broadway
St. Louis, Missouri 63101

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 28 - Endowments

Donor-restricted endowments for Missouri reside primarily within the higher education institutions, which are reported as a major component unit of the State. For the college and universities, except the University of Missouri, the net appreciation/depreciation of the endowments is \$1,641,000. Of this amount, \$2,132,000 is reported as restricted non-expendable, \$(442,000) is reported as restricted expendable, and \$(49,000) is reported as unrestricted net position. The University of Missouri reported a net appreciation/depreciation of restricted non-expendable net position in the amount of \$35,533,000 which consisted of both realized and unrealized gains and losses on investment. For detailed information on the college and universities, please see the individual financial statements. The Revised Statutes of Missouri authorize the acceptance of donations at State agencies or public institutions. The governing boards of these institutions and the donor agreements determine whether net appreciation can be spent and the acceptable spending rate as detailed in Section 402.134, RSMo. These policies are entity specific and vary with each institution.

Note 29 - Conduit Debt

As of June 30, 2020, the Missouri Development Finance Board issued \$1,637,968,000 in Private Activity Bonds and \$2,624,104,000 in Public Purpose and Refunding Revenue Bonds. The outstanding balances on these bonds and notes as of June 30, 2020, were approximately \$319,588,000 and \$928,170,000, respectively. The Missouri Development Finance Board and the State have no liability for repayment of these revenue bonds and funding notes aside from reserve fund deposits and, accordingly, these bonds and notes have not been recorded as a liability on the financial statements for the Missouri Development Finance Board. The debtor pays all debt service requirements. Security for the bondholders consists of insurance, letters of credit, annual appropriation pledges, and certain funds held through trustees under the various indentures.

As of June 30, 2020, the State Environmental Improvement and Energy Resources Authority (EIERA), a component unit of the State of Missouri, had an outstanding balance of approximately \$816,715,000 in Tax Exempt Revenue Bonds. Of this outstanding amount, \$449,050,000 is for Water Pollution Control and Drinking Water Revenue Bonds issued on behalf of the Department of Natural Resources. The State of Missouri has no liability for repayment of these revenue bonds beyond the resources provided by related loan programs. The bonds are limited obligations of EIERA.

Note 30 - Subsequent Events

Bonds

In August 2020, the Board of Public Buildings of the State of Missouri issued \$172,850,000 of Special Obligation Refunding Bonds, Series B 2020. The bonds bear interest from 4.00% to 5.00%, due in semi-annual installments beginning October 1, 2020. The bonds were issued to refund the Board's Special Obligation Refunding bonds, Series A 2012 and Series A 2013, which had outstanding principal of \$185,850,000 and \$19,635,000 respectively.

Federal Emergency Management Agency

On January 21, 2020, the President issued a *Memorandum to Extend Federal Support to Governors' Use of the National Guard to Respond to COVID-19 and to Increase Reimbursement and Other Assistance Provided to States*. The memorandum provides a 100 percent federal cost share for all work eligible for assistance under Public Assistance Category B, pursuant to the Stafford Act, performed from January 21, 2021 through September 30, 2021. On February 2, 2020, the President issued a *Memorandum on Maximizing Assistance from the Federal Emergency Management Agency* which provides that the 100 percent cost share is retroactive for eligible work performed from January 20, 2020 through January 20, 2021.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 30 - Subsequent Events (cont.)

CARES

Between August and October 2020, the State's college and universities signed an agreement to participate in federal subsidy programs as part of the CARES act, which flows through the State for the Coronavirus Relief Fund and Governor's Emergency Education Relief funds.

Southeast Missouri State University

On August 11, 2020, the University issued \$57,480,000 Series 2020 System Facilities Refunding Revenue Bonds to pay off the Series 2013 bonds.

Missouri Southern State University

The University entered into an energy savings contract with a third party for \$11.1 million of capital improvements to be paid for through 2035 from energy savings obtained through the capital improvements with payments estimated to total \$200,000-\$300,000 quarterly, beginning in March 2022.

University of Missouri

On October 11, 2020, the University announced the start of a new foundation, the Kummer Institute Foundation. A donation of \$300 million from an external donor was given to the foundation, which will support a new school, provide scholarships and fellowships, as well as support research.

Missouri State University

In August 2020, a public-private partnership between The Vecino Group, LLC and the Springfield Business Development Corporation, for the University's Jordan Valley Innovation Center Expansion, was finalized and related contracts executed.



Required Supplementary Information (RSI) includes the Budgetary Comparison Schedule for the General Fund and Major Special Revenue Funds, as well as the Budget to Generally Accepted Accounting Principles (GAAP) reconciliation, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Proportionate Share of the Net Pension Liability, Schedule of State Contributions, Schedule of Changes in Total OPEB Liability and Related Ratios, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Proportionate Share of the Collective Net OPEB Liability, and the Notes to RSI on Budgetary Reporting.

**STATE OF MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND, MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)**

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Beginning Budgetary Fund Balance	\$ 1,971,142	\$ 1,971,142	\$ 1,971,142	\$ —
Resources (Inflows):				
Taxes:				
Sales and Use	2,433,937	2,444,132	2,276,359	(167,773)
Individual Income	7,432,250	7,463,385	6,951,074	(512,311)
Corporate Income	495,188	497,263	463,129	(34,134)
County Foreign Insurance	313,738	315,052	293,426	(21,626)
Beer	7,743	7,776	7,242	(534)
Liquor	29,567	29,691	27,653	(2,038)
Cigarette	—	—	—	—
Reimbursement/Miscellaneous	96,191	96,593	89,963	(6,630)
Total Taxes	<u>10,808,614</u>	<u>10,853,892</u>	<u>10,108,846</u>	<u>(745,046)</u>
Licenses, Fees, and Permits	101,306	101,730	94,821	(6,909)
Sales	671	674	670	(4)
Leases and Rentals	5	5	5	—
Services	440,240	440,266	512,753	72,487
Contributions and Intergovernmental	11,284,140	11,292,809	12,699,400	1,406,591
Interest	43,807	43,990	41,056	(2,934)
Penalties and Unclaimed Property	13,911	13,945	14,309	364
Cost Reimbursement/Miscellaneous	1,104,444	1,105,228	1,246,537	141,309
Transfers In	4,015,859	5,434,356	2,816,350	(2,618,006)
Total Resources (Inflows)	<u>27,812,997</u>	<u>29,286,895</u>	<u>27,534,747</u>	<u>(1,752,148)</u>
Amount Available for Appropriation	<u>29,784,139</u>	<u>31,258,037</u>	<u>29,505,889</u>	<u>(1,752,148)</u>
Charges to Appropriations (Outflows):				
Current:				
General Government	2,341,469	3,497,236	2,429,746	1,067,490
Education	4,733,873	6,904,048	4,286,447	2,617,601
Natural and Economic Resources	392,412	405,916	154,491	251,425
Transportation and Law Enforcement	710,763	2,151,568	468,911	1,682,657
Human Services	14,512,662	15,575,417	13,740,108	1,835,309
Debt Service	113,591	118,271	95,202	23,069
Transfers Out	5,973,377	7,420,699	4,780,532	2,640,167
Total Charges to Appropriations	<u>28,778,147</u>	<u>36,073,155</u>	<u>25,955,437</u>	<u>10,117,718</u>
Ending Budgetary Fund Balance	<u>\$ 1,005,992</u>	<u>\$ (4,815,118)</u>	<u>\$ 3,550,452</u>	<u>\$ 8,365,570</u>
Reconciling Items:				
Reclassifying Cash Equivalents as Investments			(1,435,170)	
Investments at Fair Value			1,461,048	
Receivables, Net			4,054,074	
Due from Other Funds			—	
Due from Component Units			—	
Inventories			24,987	
Advance to Component Units			—	
Accounts Payable			(1,350,281)	
Accrued Payroll			(69,816)	
Due to Other Funds			(7,354)	
Unearned Revenue			(1,870,332)	
Escheat/Unclaimed Property			(119,423)	
Deferred Inflows of Resources			(1,573,256)	
Fund Balance - GAAP Basis			<u>\$ 2,664,929</u>	

Public Education				Conservation and Environmental Protection			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 138,062	\$ 138,062	\$ 138,062	\$ —	\$ 619,877	\$ 619,877	\$ 619,877	\$ —
992,066	992,066	924,130	(67,936)	258,558	258,558	221,020	(37,538)
4,675	4,675	4,355	(320)	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
59,927	59,927	55,823	(4,104)	—	—	—	—
276,946	276,946	257,981	(18,965)	—	—	—	—
<u>1,333,614</u>	<u>1,333,614</u>	<u>1,242,289</u>	<u>(91,325)</u>	<u>258,558</u>	<u>258,558</u>	<u>221,020</u>	<u>(37,538)</u>
1,016	1,016	946	(70)	98,919	98,919	84,557	(14,362)
—	—	—	—	7,418	7,418	6,341	(1,077)
—	—	—	—	118	118	101	(17)
—	—	—	—	—	—	—	—
36,886	36,886	34,360	(2,526)	114,339	114,339	97,739	(16,600)
4,694	4,694	4,373	(321)	20,939	20,939	17,899	(3,040)
1,040	1,040	969	(71)	3,176	3,176	2,715	(461)
97,104	97,104	90,454	(6,650)	131,805	131,805	112,669	(19,136)
<u>1,812,261</u>	<u>1,810,522</u>	<u>1,708,196</u>	<u>(102,326)</u>	<u>1,452</u>	<u>1,096</u>	<u>1,076</u>	<u>(20)</u>
<u>3,286,615</u>	<u>3,284,876</u>	<u>3,081,587</u>	<u>(203,289)</u>	<u>636,724</u>	<u>636,368</u>	<u>544,117</u>	<u>(92,251)</u>
<u>3,424,677</u>	<u>3,422,938</u>	<u>3,219,649</u>	<u>(203,289)</u>	<u>1,256,601</u>	<u>1,256,245</u>	<u>1,163,994</u>	<u>(92,251)</u>
436	684	345	339	3,899	4,262	3,419	843
2,918,489	2,915,571	2,707,786	207,785	—	—	—	—
16,180	16,180	3,791	12,389	957,649	942,101	389,782	552,319
305	305	2	303	1,003	1,002	721	281
15,502	15,275	11,986	3,289	1,757	1,757	1,670	87
—	—	—	—	—	—	—	—
447,118	447,118	358,217	88,901	59,266	59,373	55,982	3,391
<u>3,398,030</u>	<u>3,395,133</u>	<u>3,082,127</u>	<u>313,006</u>	<u>1,023,574</u>	<u>1,008,495</u>	<u>451,574</u>	<u>556,921</u>
<u>\$ 26,647</u>	<u>\$ 27,805</u>	<u>\$ 137,522</u>	<u>\$ 109,717</u>	<u>\$ 233,027</u>	<u>\$ 247,750</u>	<u>\$ 712,420</u>	<u>\$ 464,670</u>
		(48,363)				(490,864)	
		51,565				495,366	
		132,594				1,504,801	
		9,450				—	
		—				10	
		145				276	
		—				108	
		(196)				(15,938)	
		(70)				(5,159)	
		(5)				(167)	
		—				(56)	
		—				—	
		(28,665)				(11,664)	
		<u>\$ 253,977</u>				<u>\$ 2,189,133</u>	

STATE OF MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING
June 30, 2020

Budgetary Presentation:

A Budgetary Comparison Schedule is presented as Required Supplementary Information for the State's General Fund and Major Special Revenue Funds. Revenues and expenditures are reported on a budgetary basis where actual revenues are recognized when cash is received, and actual expenditures are recognized for cash disbursements. The accounting principles applied for reporting on a budgetary basis differ from those used to present the financial statements in accordance with GAAP. A reconciliation of the two for the fiscal year ended June 30, 2020, has been presented at the bottom of the Budgetary Comparison Schedule.

The budgetary expenditures are included in the current year's Appropriation Activity Report, which demonstrates legal compliance with the current year's budget. This report can be viewed at <http://oa.mo.gov/accounting/reports/annual-reports/appropriation-activity-reports>. The original budget expenditures and transfers are for what was originally appropriated for each fund. The final budget expenditures and transfers takes into account any increases and decreases to appropriations during the fiscal year less the Governor's amounts reverted (withheld) for each fund less any reappropriations to the next fiscal year.

Once a year, the Office of Administration-Division of Budget and Planning receives budgeted revenues from state agencies for each of their funds as well as a revised revenue estimate in the spring for the State's General Revenue Fund. The revised revenue estimate is used in the final budget column for the General Fund and is very comparable to actual revenue resulting in a small negative variance on this Schedule.

In accordance with State statute, all state funds must have an appropriation before amounts can be expended or transferred to another state fund; therefore, variances between budgeted and actual expenditures and transfers out on the budgetary schedule will always be positive.

For budget purposes, interfund activity is not eliminated. A summary of interfund eliminations at June 30, 2020, is shown below (in thousands):

	Final Budget Transfer		Actual Transfer	
	In	Out	In	Out
GENERAL FUND	\$ 4,963,669	\$ (4,963,669)	\$ 2,515,457	\$ (2,515,457)
SPECIAL REVENUE FUNDS				
Public Education	405,367	(405,367)	322,869	(322,869)
TOTAL	\$ 5,369,036	\$ (5,369,036)	\$ 2,838,326	\$ (2,838,326)

Budgetary Control:

Budgetary control is maintained at the departmental level; each Department of the Missouri government formulates a budget to be submitted for approval by the General Assembly prior to the beginning of the fiscal year. These budgets are prepared essentially on the cash basis. The legislature reviews, revises, and legally adopts these budgets. The Governor then has the authority to approve or veto each budget, subject to legislative override.

Under normal circumstances, budgeted expenditures cannot exceed estimated revenues and other sources of funding, including beginning fund balances. In the event that actual revenues are insufficient to cover budgeted expenditures, the Governor must order budget reductions or call a special session of the legislature to address the issue. However, for the fiscal year ended June 30, 2020 due to the COVID-19 global pandemic and the state of emergency, additional expenditure authority was granted. It is not expected that the State of Missouri will use all of the authority granted.

Unexpended appropriations lapse at the end of each appropriation year, unless reappropriated to the following appropriation year.

STATE OF MISSOURI
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FISCAL YEARS 2015-2020
(In Thousands of Dollars)

	Judicial Plan*					
	2020**	2019**	2018**	2017**	2016**	2015**
Total Pension Liability						
Service Cost	\$ 13,574	\$ 12,997	\$ 12,946	\$ 10,932	\$ 10,614	\$ 8,990
Interest on the Total Pension Liability	41,711	41,019	40,617	37,755	36,162	34,014
Benefit Changes	—	—	—	—	—	—
Differences between Expected and Actual Experience	979	(1,320)	(10,687)	(5,037)	5,103	13,361
Changes in Assumptions	5,024	12,332	7,906	53,991	—	—
Benefit Payments, including member refunds	(37,593)	(35,657)	(33,985)	(32,989)	(31,246)	(29,407)
Disability Premiums	—	—	—	—	—	—
Transfers to Other Retirement Systems	—	—	—	—	—	—
Net Change in Total Pension Liability	23,695	29,371	16,797	64,652	20,633	26,958
Total Pension Liability - Beginning	593,789	564,418	547,621	482,969	462,336	435,378
Total Pension Liability - Ending (a)	617,484	593,789	564,418	547,621	482,969	462,336
Plan Fiduciary Net Position						
Contributions - Employer	38,605	36,892	34,247	33,642	32,696	29,265
Contributions - Employee	1,138	902	787	661	488	295
Pension Plan Net Investment Income	6,056	10,678	4,680	28	(3,610)	21,395
Benefit Payments, including member refunds	(37,593)	(35,657)	(33,985)	(32,989)	(31,246)	(29,407)
Disability Premiums	—	—	—	—	—	—
Pension Plan Administrative Expense	(72)	(181)	(150)	(137)	(123)	(106)
Net Transfers	—	—	—	—	—	—
Other	—	(69)	—	—	—	—
Net Change in Plan Fiduciary Net Position	8,134	12,565	5,579	1,205	(1,795)	21,442
Plan Fiduciary Net Position - Beginning*	150,200	137,635	132,056	130,851	132,646	111,204
Plan Fiduciary Net Position - Ending (b)	158,334	150,200	137,635	132,056	130,851	132,646
Net Pension Liability - Ending (a) - (b)	\$ 459,150	\$ 443,589	\$ 426,783	\$ 415,565	\$ 352,118	\$ 329,690
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	25.64 %	25.30 %	24.39 %	24.11 %	27.09 %	28.69 %
Covered Payroll	\$ 60,594	\$ 59,417	\$ 58,592	\$ 57,421	\$ 55,656	\$ 49,588
Net Pension Liability as a Percentage of Covered Payroll	757.74 %	746.73 %	728.40 %	723.72 %	632.66 %	664.86 %

*After post-valuation adjustments.

**Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year. The measurement date is as of June 30, except University of Missouri Retirement System which is based on a measurement date of October 1.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System						
2020**	2019**	2018**	2017**	2016**	2015**	
\$ 43,971	\$ 46,621	\$ 45,713	\$ 45,441	\$ 45,358	\$ 44,740	
271,174	286,457	283,569	280,432	275,285	270,526	
—	(7)	—	—	—	—	
204	(37,173)	(37,287)	(39,810)	(13,324)	(17,614)	
—	142,556	—	—	—	—	
(256,091)	(254,634)	(246,939)	(236,687)	(237,013)	(227,977)	
(1,616)	(1,602)	(1,620)	(1,568)	(1,555)	(1,532)	
(2,111)	(2,823)	(2,725)	(1,921)	(3,147)	(1,876)	
55,531	179,395	40,711	45,887	65,604	66,267	
3,981,839	3,802,444	3,761,733	3,715,846	3,650,242	3,583,975	
4,037,370	3,981,839	3,802,444	3,761,733	3,715,846	3,650,242	
210,167	204,955	206,563	199,609	200,639	183,354	
5,996	5,001	4,892	3,483	3,294	2,260	
154,327	197,620	220,302	21,432	92,646	319,446	
(256,091)	(254,634)	(246,939)	(236,687)	(237,013)	(227,977)	
(1,616)	(1,602)	(1,620)	(1,568)	(1,555)	(1,532)	
(4,373)	(4,693)	(4,516)	(4,370)	(4,067)	(3,736)	
322	(956)	(981)	808	(2,033)	(92)	
—	(936)	—	—	—	—	
108,732	144,755	177,701	(17,293)	51,911	271,723	
2,314,530	2,169,775	1,992,074	2,009,367	1,957,456	1,685,733	
2,423,262	2,314,530	2,169,775	1,992,074	2,009,367	1,957,456	
\$ 1,614,108	\$ 1,667,309	\$ 1,632,669	\$ 1,769,659	\$ 1,706,479	\$ 1,692,786	

60.02 %	58.13 %	57.06 %	52.96 %	54.08 %	53.63 %	
\$ 362,748	\$ 353,751	\$ 356,515	\$ 344,635	\$ 342,265	\$ 336,591	
444.97 %	471.32 %	457.95 %	513.49 %	498.58 %	502.92 %	

STATE OF MISSOURI
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FISCAL YEARS 2015-2020
(In Thousands of Dollars)

	University of Missouri Retirement System					
	2020**	2019**	2018**	2017**	2016**	2015**
Total Pension Liability						
Service Cost	\$ 66,239	\$ 62,845	\$ 63,624	\$ 66,269	\$ 68,328	\$ 70,574
Interest on the Total Pension Liability	323,553	312,921	305,781	296,885	288,438	275,762
Benefit Changes	—	—	—	—	—	—
Differences between Expected and Actual Experience	68,943	23,046	11,704	(22,741)	(38,227)	13,226
Changes in Assumptions	—	—	257,616	—	—	—
Benefit Payments, including member refunds	(265,991)	(241,020)	(233,083)	(211,036)	(203,300)	(182,488)
Disability Premiums	—	—	—	—	—	—
Transfers to Other Retirement Systems	—	—	—	—	—	—
Net Change in Total Pension Liability	<u>192,744</u>	<u>157,792</u>	<u>405,642</u>	<u>129,377</u>	<u>115,239</u>	<u>177,074</u>
Total Pension Liability - Beginning	<u>4,571,623</u>	<u>4,413,831</u>	<u>4,008,189</u>	<u>3,878,812</u>	<u>3,763,573</u>	<u>3,586,499</u>
Total Pension Liability - Ending (a)	<u>4,764,367</u>	<u>4,571,623</u>	<u>4,413,831</u>	<u>4,008,189</u>	<u>3,878,812</u>	<u>3,763,573</u>
Plan Fiduciary Net Position						
Contributions - Employer	118,234	115,980	92,200	96,631	99,454	103,895
Contributions - Employee	16,484	15,989	15,299	15,218	14,976	14,486
Pension Plan Net Investment Income	28,604	183,826	322,297	364,486	6,646	36,412
Benefit Payments, including member refunds	(265,991)	(241,020)	(233,083)	(211,036)	(203,300)	(182,488)
Disability Premiums	—	—	—	—	—	—
Pension Plan Administrative Expense	—	—	—	—	—	—
Net Transfers	—	—	—	—	—	—
Other	—	—	—	—	—	(2,150)
Net Change in Plan Fiduciary Net Position	<u>(102,669)</u>	<u>74,775</u>	<u>196,713</u>	<u>265,299</u>	<u>(82,224)</u>	<u>(29,845)</u>
Plan Fiduciary Net Position - Beginning*	<u>3,757,413</u>	<u>3,682,638</u>	<u>3,485,925</u>	<u>3,220,626</u>	<u>3,302,850</u>	<u>3,332,695</u>
Plan Fiduciary Net Position - Ending (b)	<u>3,654,744</u>	<u>3,757,413</u>	<u>3,682,638</u>	<u>3,485,925</u>	<u>3,220,626</u>	<u>3,302,850</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,109,623</u>	<u>\$ 814,210</u>	<u>\$ 731,193</u>	<u>\$ 522,264</u>	<u>\$ 658,186</u>	<u>\$ 460,723</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.71 %	82.19 %	83.43 %	86.97 %	83.03 %	87.76 %
Covered Payroll	\$1,227,342	\$1,187,435	\$1,146,836	\$1,144,412	\$1,129,784	\$1,109,431
Net Pension Liability as a Percentage of Covered Payroll	90.41 %	68.57 %	63.76 %	45.64 %	58.26 %	41.53 %

STATE OF MISSOURI
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FISCAL YEARS 2015-2020
(In Thousands of Dollars)

	2020*	2019*	2018*
<u>Missouri State Employees' Plan</u>			
State's proportion of the net pension liability	83.27 %	82.84 %	82.19 %
State's proportionate share of the net pension liability	\$ 5,030,722	\$ 4,620,928	\$ 4,279,391
State's covered payroll	\$ 1,617,502	\$ 1,610,149	\$ 1,617,463
State's proportionate share of the net pension liability as a percentage of its covered payroll	311.02 %	286.99 %	264.57 %
Plan fiduciary net position as a percentage of the total pension liability	56.72 %	59.02 %	60.41 %
<u>Judicial Plan</u>			
State's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
State's proportionate share of the net pension liability	\$ 459,150	\$ 443,589	\$ 426,783
State's covered payroll	\$ 60,594	\$ 59,417	\$ 58,592
State's proportionate share of the net pension liability as a percentage of its covered payroll	757.74 %	746.73 %	728.40 %
Plan fiduciary net position as a percentage of the total pension liability	25.64 %	25.30 %	24.39 %
<u>Missouri Department of Transportation and Highway Patrol Employees' Retirement System</u>			
State's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
State's proportionate share of the net pension liability	\$ 1,614,108	\$ 1,667,309	\$ 1,632,669
State's covered payroll	\$ 362,748	\$ 353,751	\$ 356,515
State's proportionate share of the net pension liability as a percentage of its covered payroll	444.97 %	471.32 %	457.95 %
Plan fiduciary net position as a percentage of the total pension liability	60.02 %	58.13 %	57.06 %
<u>Missouri State Employees' Plan - Component Units</u>			
Component Unit's proportion of the net pension liability	16.40 %	16.82 %	17.44 %
Component Unit's proportionate share of the net pension liability	\$ 990,703	\$ 938,355	\$ 908,000
Component Unit's covered payroll	\$ 318,588	\$ 326,943	\$ 343,472
Component Unit's proportionate share of the net pension liability as a percentage of its covered payroll	310.97 %	287.01 %	264.36 %
Plan fiduciary net position as a percentage of the total pension liability	56.72 %	59.02 %	60.41 %
<u>University of Missouri Retirement System</u>			
University's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
University's proportionate share of the net pension liability	\$ 1,109,623	\$ 814,210	\$ 731,193
University's covered payroll	\$ 1,227,342	\$ 1,187,435	\$ 1,146,836
University's proportionate share of the net pension liability as a percentage of its covered payroll	90.41 %	68.57 %	63.76 %
Plan fiduciary net position as a percentage of the total pension liability	76.71 %	82.19 %	83.43 %

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year. The measurement date is as of June 30, except University of Missouri Retirement System which is based on a measurement date of October 1.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

	2017*		2016*		2015*
	82.21 %		82.26 %		82.45%
\$	3,816,328	\$	2,641,347	\$	1,944,098
\$	1,593,034	\$	1,593,238	\$	1,613,263
	239.56 %		165.78 %		120.51%
	63.60 %		72.62 %		79.49%
	100.00 %		100.00 %		100.00 %
\$	415,565	\$	352,118	\$	329,690
\$	57,421	\$	55,656	\$	49,588
	723.72 %		632.66 %		664.86 %
	24.11 %		27.09 %		28.69 %
	100.00 %		100.00 %		100.00 %
\$	1,769,659	\$	1,706,479	\$	1,692,786
\$	344,635	\$	342,265	\$	336,591
	513.49 %		498.58 %		502.92 %
	52.96 %		54.08 %		53.63 %
	17.41 %		17.38 %		17.19 %
\$	808,175	\$	557,955	\$	405,189
\$	337,401	\$	336,571	\$	325,490
	239.53 %		165.78 %		124.49 %
	63.60 %		72.62 %		79.49 %
	100.00 %		100.00 %		100.00 %
\$	522,264	\$	658,186	\$	460,723
\$	1,144,412	\$	1,129,784	\$	1,109,431
	45.64 %		58.26 %		41.53 %
	86.97 %		83.03 %		87.76 %

**STATE OF MISSOURI
SCHEDULE OF STATE CONTRIBUTIONS
PENSION
FISCAL YEARS 2014-2020
(In Thousands of Dollars)**

	2020	2019	2018*
<u>Missouri State Employees' Plan</u>			
Required Contributions	\$ 362,950	\$ 326,951	\$ 313,167
Contributions in relation to the required contribution	\$ 362,950	\$ 326,951	\$ 313,167
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 1,667,168	\$ 1,617,502	\$ 1,610,149
Contributions as a percentage of covered payroll	21.77 %	20.21 %	19.45 %
<u>Judicial Plan</u>			
Required Contributions	\$ 39,123	\$ 38,555	\$ 36,895
Contributions in relation to the required contribution	\$ 39,123	\$ 38,555	\$ 36,895
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 61,321	\$ 60,594	\$ 59,417
Contributions as a percentage of covered payroll	63.80 %	63.63 %	62.10 %
<u>Missouri Department of Transportation and Highway Patrol Employees' Retirement System</u>			
Required Contributions	\$ 210,872	\$ 210,167	\$ 204,955
Contributions in relation to the required contribution	\$ 210,872	\$ 210,167	\$ 204,955
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 363,980	\$ 362,748	\$ 353,751
Contributions as a percentage of covered payroll	58.00 %	58.00 %	58.00 %
<u>Missouri State Employees' Plan - Component Units</u>			
Required Contributions	\$ 70,006	\$ 64,387	\$ 63,533
Contributions in relation to the required contribution	\$ 70,006	\$ 64,387	\$ 63,533
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Component Unit's covered payroll	\$ 324,582	\$ 318,588	\$ 326,631
Contributions as a percentage of covered payroll	21.57 %	20.21 %	19.45 %
<u>University of Missouri Retirement System</u>			
Required Contributions	\$ 118,234	\$ 115,980	\$ 92,200
Contributions in relation to the required contribution	\$ 118,234	\$ 115,980	\$ 92,200
Contribution deficiency (excess)	\$ —	\$ —	\$ —
University's covered payroll	\$ 1,227,342	\$ 1,187,435	\$ 1,146,836
Contributions as a percentage of covered payroll	9.63 %	9.77 %	8.04 %

*After post-valuation adjustments.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

Notes to the Schedule:

Changes of benefit terms. Senate Bill 62 (SB 62), which contained changes to the benefit structure for Missouri State Employees' MSEP 2011 Plan and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System Year 2000 Plan-2011 Tier, was passed by the 2017 legislature. The provisions of the bill decreased vesting from ten to five years of service, but also included provisions that essentially offset the cost of the vesting change. As a result, SB 62 had no impact on the employer contribution rate and created a decrease to the UAAL for the MSEP 2011 Plan of \$1.6 million.

Changes of assumptions.

For MOSERS: The board reduced the investment return assumption used in the June 30, 2019 valuation to 7.10%.

For MPERS: No changes in assumptions.

For MU: No changes in assumptions.

2017	2016	2015	2014
\$ 274,510	\$ 270,198	\$ 270,220	\$ 269,106
\$ 274,510	\$ 270,198	\$ 270,220	\$ 269,106
\$ —	\$ —	\$ —	\$ —
\$ 1,617,463	\$ 1,593,034	\$ 1,593,238	\$ 1,613,263
16.97 %	16.96 %	16.96 %	16.68 %
\$ 32,671	\$ 33,642	\$ 32,696	\$ 29,265
\$ 34,247	\$ 33,642	\$ 32,696	\$ 29,265
\$ (1,576)	\$ —	\$ —	\$ —
\$ 58,592	\$ 57,421	\$ 55,656	\$ 49,588
58.45 %	58.59 %	58.70 %	59.02 %
\$ 206,563	\$ 199,609	\$ 200,639	\$ 183,354
\$ 206,563	\$ 199,609	\$ 200,639	\$ 183,354
\$ —	\$ —	\$ —	\$ —
\$ 356,515	\$ 344,635	\$ 342,265	\$ 336,591
58.00 %	58.00 %	58.62 %	54.44 %
\$ 58,246	\$ 57,219	\$ 57,081	\$ 56,087
\$ 58,246	\$ 57,219	\$ 57,081	\$ 56,087
\$ —	\$ —	\$ —	\$ —
\$ 343,472	\$ 337,401	\$ 336,571	\$ 325,490
16.96 %	16.96 %	16.96 %	17.23 %
\$ 96,631	\$ 99,454	\$ 103,895	\$ 113,688
\$ 96,631	\$ 99,454	\$ 103,895	\$ 113,688
\$ —	\$ —	\$ —	\$ —
\$ 1,144,412	\$ 1,129,784	\$ 1,109,431	\$ 1,078,347
8.44 %	8.80 %	9.36 %	10.54 %

STATE OF MISSOURI
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FISCAL YEARS 2018-2020
(In Thousands of Dollars)

	Missouri Department of Transportation and Highway Patrol Medical and Life Insurance Plan*			Conservation Employees' Benefits Plan**		
	2020	2019	2018	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 38,514	\$ 40,070	\$ 49,483	\$ 2,501	\$ 2,926	\$ 3,109
Interest	44,435	39,737	35,941	5,276	5,264	4,975
Differences Between Expected and Actual Experience	(52,465)	(1,907)	—	—	—	—
Effect of economic/demographic gains or losses	—	—	—	(36,969)	—	—
Changes of Assumptions or Other Inputs	(63,896)	(54,900)	(165,036)	32,152	10,144	(7,665)
Benefit Payments	(23,638)	(23,024)	(21,185)	(2,961)	(3,375)	(3,006)
Net Change in Total OPEB Liability	(57,050)	(24)	(100,797)	(1)	14,959	(2,587)
Total OPEB Liability - Beginning	1,121,375	1,121,399	1,222,196	149,716	134,757	137,344
Total OPEB Liability - Ending (a)	<u>\$ 1,064,325</u>	<u>\$ 1,121,375</u>	<u>\$ 1,121,399</u>	<u>\$ 149,715</u>	<u>\$149,716</u>	<u>\$ 134,757</u>
Covered-Employee Payroll	\$ 364,538	\$ 355,588	\$ 355,663	\$ 56,800	\$ 62,766	\$ 62,235
Total OPEB Liability as a Percentage of Covered-Employee Payroll	291.97 %	315.36 %	315.30 %	263.58 %	238.53 %	216.53 %

*Based on an actuarial valuation and measurement date of the preceding fiscal year as of July 1.

**Based on an actuarial valuation date of the preceding fiscal year and a measurement date of the current fiscal year as of June 30.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

STATE OF MISSOURI
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FISCAL YEARS 2018-2020
(In Thousands of Dollars)

	University of Missouri OPEB Plan		
	2020	2019	2018
Total OPEB Liability			
Service Cost	\$ 4,019	\$ 4,124	\$ 4,991
Interest on the Total OPEB Liability	17,004	18,248	17,434
Differences between Expected and Actual Experience	(4,425)	31,459	—
Changes in Assumptions	(81,032)	(17,565)	(18,998)
Benefit Payments, including member refunds	(20,652)	(23,206)	(22,828)
Net Change in Total OPEB Liability	(85,086)	13,060	(19,401)
Total OPEB Liability - Beginning	492,066	479,006	498,407
Total OPEB Liability - Ending (a)	406,980	492,066	479,006
Plan Fiduciary Net Position			
Contributions - Employer	20,672	23,363	18,590
Contributions - Employee	17,763	17,378	16,480
Net Investment Income	920	1,469	790
Benefit Payments, including refunds of employee contributions	(38,413)	(40,584)	(35,031)
Other	(2)	(1)	(172)
Net Change in Plan Fiduciary Net Position	940	1,625	657
Plan Fiduciary Net Position - Beginning	38,426	36,801	36,144
Plan Fiduciary Net Position - Ending (b)	39,366	38,426	36,801
Net OPEB Liability - Ending (a) - (b)	\$ 367,614	\$ 453,640	\$ 442,205
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	9.67 %	7.81 %	7.68 %
Covered-Employee Payroll	\$ 612,694	\$ 677,089	\$ 721,517
Net OPEB Liability as a Percentage of Covered-Employee Payroll	60.00 %	67.00 %	61.29 %

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

STATE OF MISSOURI
SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY
FISCAL YEARS 2018-2020
(In Thousands of Dollars)

	2020*	2019*	2018
Missouri Consolidated Health Care Plan			
State's proportion of the collective net OPEB liability	99.61 %	99.59 %	99.56 %
State's proportionate share of the collective net OPEB liability	\$ 1,761,801	\$ 1,745,034	\$ 1,756,787
State's covered payroll	\$ 1,605,629	\$ 1,597,814	\$ 1,480,735
State's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	109.73 %	109.21 %	118.64 %
Plan fiduciary net position as a percentage of the total OPEB liability	7.31 %	6.90 %	6.64 %
Missouri Consolidated Health Care Plan - CU			
Component Unit's proportion of the collective net OPEB liability	0.04 %	0.05 %	0.03 %
Component Unit's proportionate share of the collective net OPEB liability	\$ 746	\$ 825	\$ 484
Component Unit's covered payroll	\$ 680	\$ 756	\$ 176
Component Unit's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	109.71 %	109.13 %	275.00 %
Plan fiduciary net position as a percentage of the total OPEB liability	7.31 %	6.90 %	6.64 %

*Based on a measurement date of the preceding fiscal year and actuarial valuation as of the July 1, 2019.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

Notes to the Schedules:

Neither MHPML or CEIP have assets that are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Changes of benefit terms. There were no changes in benefit terms.

Changes of assumptions.

For MCHCP: The discount rate changed from 5.90% to 5.24%, in the July 1, 2019 valuation.

For CEIP: The discount rate changed from 3.50% to 2.21% in the June 30, 2019 valuation.

MHPML: The discount rate changed from 3.87% to 3.51% in the July 1, 2019 valuation.

For MU: Claims and trends from the Base and Buyup Medicare advantage plans were revised to reflect future expectations. Also, the discount rate used for the valuations was changed from 3.87% to 2.21% in the June 30, 2020 valuation.



Supplementary Information includes the Budgetary Comparison Schedule and Reconciliation for the Major Capital Projects Fund (Missouri Road Fund), as well as the Combining and Individual Fund Statements for the General Fund and all Non-Major Funds.

**STATE OF MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)**

	Missouri Road Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Beginning Budgetary Fund Balance	\$ 670,588	\$ 670,588	\$ 670,588	\$ —
Resources (Inflows):				
Taxes:				
Vehicle Sales and Use	181,276	181,276	175,054	(6,222)
Fuel	126	126	97	(29)
Total Taxes	<u>181,402</u>	<u>181,402</u>	<u>175,151</u>	<u>(6,251)</u>
Licenses, Fees, and Permits	94,271	94,271	107,923	13,652
Contributions and Intergovernmental	974,319	974,319	952,026	(22,293)
Interest	9,997	9,997	15,041	5,044
Cost Reimbursement/Miscellaneous	101,199	101,199	152,165	50,966
Bond Sale Proceeds	—	201,000	201,000	—
Transfers In	<u>510,000</u>	<u>510,000</u>	<u>455,736</u>	<u>(54,264)</u>
Total Resources (Inflows)	<u>1,871,188</u>	<u>2,072,188</u>	<u>2,059,042</u>	<u>(13,146)</u>
Amount Available for Appropriation	<u>2,541,776</u>	<u>2,742,776</u>	<u>2,729,630</u>	<u>(13,146)</u>
Charges to Appropriations (Outflows):				
Current:				
Transportation and Law Enforcement	881,606	980,249	830,815	149,434
Capital Outlay				
Transportation and Law Enforcement	1,017,264	1,131,086	958,311	172,775
Debt Service	53,414	59,390	50,318	9,072
Total Charges to Appropriations	<u>1,952,284</u>	<u>2,170,725</u>	<u>1,839,444</u>	<u>331,281</u>
Ending Budgetary Fund Balance	<u>\$ 589,492</u>	<u>\$ 572,051</u>	<u>\$ 890,186</u>	<u>\$ 318,135</u>
Reconciling Items:				
Reclassifying Cash Equivalents as Investments			(564,854)	
Investments at Fair Value			602,301	
Receivables, Net			137,810	
Inventories			36,171	
Accounts Payable			(125,823)	
Accrued Payroll			(15,302)	
Due to Other Funds			(384)	
Unearned Revenue			(28,145)	
Deferred Inflows of Resources			<u>(10,146)</u>	
Fund Balance - GAAP Basis			<u>\$ 921,814</u>	



The Combining and Individual Fund Statements

Major Funds

General Fund - Accounts for all current financial resources not required by law or administrative action to be accounted for in another fund.

Non-Major Funds

This includes all non-major governmental and enterprise funds, as well as the non-major component units. It also includes all internal service and fiduciary funds because the "major fund" classification, created under GASB Statement 34, does not apply to these funds.

A budgetary comparison statement is provided for all non-major governmental funds.

**STATE OF MISSOURI
BALANCE SHEET
GENERAL FUND
June 30, 2020
(In Thousands of Dollars)**

	General Fund			Totals
	General	Federal	Eliminations	June 30, 2020
ASSETS				
Cash and Cash Equivalents	\$ 1,097,198	\$ 1,018,084	\$ —	\$ 2,115,282
Investments	704,020	757,028	—	1,461,048
Accounts Receivable, Net	2,766,433	1,256,222	—	4,022,655
Interest Receivable	7,397	67	—	7,464
Due from Other Funds	—	250,000	(250,000)	—
Inventories	23,380	1,607	—	24,987
Loans Receivable	23,955	—	—	23,955
Total Assets	\$ 4,622,383	\$ 3,283,008	\$ (250,000)	\$ 7,655,391
LIABILITIES				
Accounts Payable	\$ 619,111	\$ 731,170	\$ —	\$ 1,350,281
Accrued Payroll	38,434	31,382	—	69,816
Due to Other Funds	252,072	5,282	(250,000)	7,354
Unearned Revenue	1,494	1,868,838	—	1,870,332
Escheat/Unclaimed Property	119,423	—	—	119,423
Total Liabilities	1,030,534	2,636,672	(250,000)	3,417,206
DEFERRED INFLOWS OF RESOURCES	1,525,542	47,714	—	1,573,256
FUND BALANCES				
Nonspendable	47,335	1,607	—	48,942
Restricted	1,663	597,015	—	598,678
Committed	662,067	—	—	662,067
Assigned	100,048	—	—	100,048
Unassigned	1,255,194	—	—	1,255,194
Total Fund Balances	2,066,307	598,622	—	2,664,929
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,622,383	\$ 3,283,008	\$ (250,000)	\$ 7,655,391

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	General Fund			Totals
	General	Federal	Eliminations	June 30, 2020
Revenues:				
Taxes	\$ 9,433,118	\$ —	\$ —	\$ 9,433,118
Licenses, Fees, and Permits	94,692	367	—	95,059
Sales	457	13	—	470
Services	2,535	118,552	—	121,087
Contributions and Intergovernmental	1,922,197	9,866,387	—	11,788,584
Investment Earnings:				
Net Increase (Decrease) in the Fair Value of Investments	2,862	3,813	—	6,675
Interest	42,292	440	—	42,732
Penalties and Unclaimed Properties	56,446	6,516	—	62,962
Cost Reimbursement/Miscellaneous	104,795	275,886	—	380,681
Total Revenues	11,659,394	10,271,974	—	21,931,368
Expenditures:				
Current:				
General Government	687,553	94,331	—	781,884
Education	3,228,812	1,114,156	—	4,342,968
Natural and Economic Resources	49,048	130,747	—	179,795
Transportation and Law Enforcement	112,686	410,141	—	522,827
Human Services	5,748,071	8,407,834	—	14,155,905
Debt Service:				
Principal	69,453	568	—	70,021
Interest	26,462	40	—	26,502
Bond Issuance Cost	155	—	—	155
Underwriter's Discount	12	—	—	12
Total Expenditures	9,922,252	10,157,817	—	20,080,069
Excess Revenues (Expenditures)	1,737,142	114,157	—	1,851,299
Other Financing Sources (Uses):				
Issuance of Notes/Capital Leases/ Financed Purchases	1,686	449	—	2,135
Issuance of Refunding Bonds	38,920	—	—	38,920
Payments to Escrow Agent	(41,069)	—	—	(41,069)
Bond Premium	2,315	—	—	2,315
Sale of Capital Assets	166	300	—	466
Transfers In	281,795	163,512	(391,133)	54,174
Transfers Out	(1,530,326)	(234,214)	391,133	(1,373,407)
Total Other Financing Sources (Uses)	(1,246,513)	(69,953)	—	(1,316,466)
Net Change in Fund Balances	490,629	44,204	—	534,833
Fund Balances - Beginning	1,574,169	553,667	—	2,127,836
Increase (Decrease) in Reserve for Inventory	1,509	751	—	2,260
Fund Balances - Ending	\$ 2,066,307	\$ 598,622	\$ —	\$ 2,664,929

STATE OF MISSOURI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
June 30, 2020
(In Thousands of Dollars)

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals June 30, 2020
ASSETS					
Cash and Cash Equivalents	\$ 277,180	\$ 16,075	\$ 6,302	\$ 1,957	\$ 301,514
Investments	177,064	46,671	27,960	61,293	312,988
Accounts Receivable, Net	151,671	22,595	—	—	174,266
Interest Receivable	604	297	154	1	1,056
Due from Other Funds	2,934	—	—	—	2,934
Inventories	4,764	—	—	—	4,764
Loans Receivable	2,158	—	—	—	2,158
Total Assets	<u>\$ 616,375</u>	<u>\$ 85,638</u>	<u>\$ 34,416</u>	<u>\$ 63,251</u>	<u>\$ 799,680</u>
LIABILITIES					
Accounts Payable	\$ 55,182	\$ —	\$ 99	\$ —	\$ 55,281
Accrued Payroll	8,587	—	—	—	8,587
Due to Other Funds	794	—	—	—	794
Total Liabilities	<u>64,563</u>	<u>—</u>	<u>99</u>	<u>—</u>	<u>64,662</u>
DEFERRED INFLOWS OF RESOURCES	<u>6,156</u>	<u>46</u>	<u>59</u>	<u>—</u>	<u>6,261</u>
FUND BALANCES					
Nonspendable	4,764	—	—	63,130	67,894
Restricted	260,074	85,592	34,258	—	379,924
Committed	39,026	—	—	—	39,026
Assigned	241,792	—	—	121	241,913
Total Fund Balances	<u>545,656</u>	<u>85,592</u>	<u>34,258</u>	<u>63,251</u>	<u>728,757</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 616,375</u>	<u>\$ 85,638</u>	<u>\$ 34,416</u>	<u>\$ 63,251</u>	<u>\$ 799,680</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals June 30, 2020
Revenues:					
Taxes	\$ 905,495	\$ 185,192	\$ —	\$ —	\$ 1,090,687
Licenses, Fees, and Permits	427,180	—	—	—	427,180
Sales	1,392	—	—	—	1,392
Leases and Rentals	1	—	—	—	1
Services	925	—	—	—	925
Contributions and Intergovernmental	361,693	12,143	—	—	373,836
Investment Earnings:					
Net Increase (Decrease) in the Fair Value of Investments	409	262	134	60	865
Interest	4,995	2,219	959	9	8,182
Penalties and Unclaimed Properties	16,936	—	—	2,568	19,504
Cost Reimbursement/Miscellaneous	54,953	—	—	3	54,956
Total Revenues	<u>1,773,979</u>	<u>199,816</u>	<u>1,093</u>	<u>2,640</u>	<u>1,977,528</u>
Expenditures:					
Current:					
General Government	240,443	—	5,995	—	246,438
Education	3,077	—	2,622	—	5,699
Natural and Economic Resources	242,267	—	4	—	242,271
Transportation and Law Enforcement	311,923	5	—	—	311,928
Human Services	685,949	—	—	9	685,958
Capital Outlay:					
General Government	—	—	13,836	—	13,836
Natural and Economic Resources	—	—	2,638	—	2,638
Transportation and Law Enforcement	—	—	213	—	213
Human Services	—	—	1,955	—	1,955
Debt Service:					
Principal	709	151,085	2	—	151,796
Interest	30	85,467	—	—	85,497
Total Expenditures	<u>1,484,398</u>	<u>236,557</u>	<u>27,265</u>	<u>9</u>	<u>1,748,229</u>
Excess Revenues (Expenditures)	<u>289,581</u>	<u>(36,741)</u>	<u>(26,172)</u>	<u>2,631</u>	<u>229,299</u>
Other Financing Sources (Uses):					
Issuance of Notes/Capital Leases/Financed Purchases	26	—	—	—	26
Proceeds from Sale of Capital Assets	8,593	—	—	—	8,593
Transfers In	257,468	29,107	—	—	286,575
Transfers Out	(494,392)	—	—	—	(494,392)
Total Other Financing Sources (Uses)	<u>(228,305)</u>	<u>29,107</u>	<u>—</u>	<u>—</u>	<u>(199,198)</u>
Net Change in Fund Balances	61,276	(7,634)	(26,172)	2,631	30,101
Fund Balances - Beginning	484,041	93,226	60,430	60,620	698,317
Increase (Decrease) in Reserve for Inventory	339	—	—	—	339
Fund Balances - Ending	<u>\$ 545,656</u>	<u>\$ 85,592</u>	<u>\$ 34,258</u>	<u>\$ 63,251</u>	<u>\$ 728,757</u>



*The **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The State has numerous individual Special Revenue Funds. Therefore, the funds have been combined into specific functional areas.*

Non-Major Special Revenue Funds:

Professional Registration - Provides for the control and regulation of various professions. Each profession has its own fund to account for its operation.

Judicial Protection and Assistance - Provides for protection of public employees by the Attorney General's Office, conviction of criminal offenders by prosecuting attorneys and assistance to victims of criminal offenses.

Agriculture and State Fair - Provides for inspections of products, market development, and awards for competition at the State Fair.

Social Assistance - Provides financial, health, and other services to qualifying individuals.

Transportation and Law Enforcement - Provides transportation services, road construction and maintenance, and the enforcement of vehicle laws and traffic safety.

Unemployment and Workers' Compensation - Provides for the administration of these laws and benefits to workers who qualify for workers' compensation.

Reimbursements and Other - Provides various reimbursements of costs to other governments and various regulatory commissions not included in other functional areas.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2020
(In Thousands of Dollars)**

	Professional Registration	Judicial Protection and Assistance	Agriculture and State Fair	Social Assistance	Transportation and Law Enforcement	Unemployment and Workers' Compensation	Reimbursements and Other	Totals June 30, 2020
ASSETS								
Cash and Cash								
Equivalents	\$ 28,167	\$ 23,772	\$ 7,027	\$ 53,006	\$ 84,192	\$ 34,079	\$ 46,937	\$ 277,180
Investments	19,274	16,265	6,682	35,984	45,108	23,281	30,470	177,064
Accounts Receivable, Net	—	865	198	6,861	121,935	19,490	2,322	151,671
Interest Receivable	—	34	20	144	169	108	129	604
Due from Other Funds	—	—	—	—	—	2,934	—	2,934
Inventories	26	8	18	83	4,335	—	294	4,764
Loans Receivable	—	—	1,337	—	821	—	—	2,158
Total Assets	<u>\$ 47,467</u>	<u>\$ 40,944</u>	<u>\$ 15,282</u>	<u>\$ 96,078</u>	<u>\$ 256,560</u>	<u>\$ 79,892</u>	<u>\$ 80,152</u>	<u>\$ 616,375</u>
LIABILITIES								
Accounts Payable	\$ 177	\$ 1,372	\$ 103	\$ 40,546	\$ 6,256	\$ 2,338	\$ 4,390	\$ 55,182
Accrued Payroll	255	434	336	446	4,525	500	2,091	8,587
Due to Other Funds	29	284	18	63	251	46	103	794
Total Liabilities	<u>461</u>	<u>2,090</u>	<u>457</u>	<u>41,055</u>	<u>11,032</u>	<u>2,884</u>	<u>6,584</u>	<u>64,563</u>
DEFERRED INFLOWS OF RESOURCES								
	<u>—</u>	<u>101</u>	<u>7</u>	<u>456</u>	<u>4,464</u>	<u>836</u>	<u>292</u>	<u>6,156</u>
FUND BALANCES								
Nonspendable	26	8	18	83	4,335	—	294	4,764
Restricted	—	20,635	6,147	44,986	69,495	76,172	42,639	260,074
Committed	15,147	9,969	412	5,150	717	—	7,631	39,026
Assigned	31,833	8,141	8,241	4,348	166,517	—	22,712	241,792
Total Fund Balances	<u>47,006</u>	<u>38,753</u>	<u>14,818</u>	<u>54,567</u>	<u>241,064</u>	<u>76,172</u>	<u>73,276</u>	<u>545,656</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 47,467</u>	<u>\$ 40,944</u>	<u>\$ 15,282</u>	<u>\$ 96,078</u>	<u>\$ 256,560</u>	<u>\$ 79,892</u>	<u>\$ 80,152</u>	<u>\$ 616,375</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Professional Registration	Judicial Protection and Assistance	Agriculture and State Fair	Social Assistance	Transportation and Law Enforcement	Unemployment and Workers' Compensation	Reimbursements and Other	Totals June 30, 2020
Revenues:								
Taxes	\$ 94	\$ —	\$ 4,361	\$ 96,916	\$ 696,388	\$ 107,539	\$ 197	\$ 905,495
Licenses, Fees, and Permits	16,319	30,553	12,070	39,157	228,977	—	100,104	427,180
Sales	—	—	1	1,094	—	—	297	1,392
Leases and Rentals	—	—	—	—	—	—	1	1
Services	—	907	5	1	—	—	12	925
Contributions and Intergovernmental	—	837	92	358,845	11	—	1,908	361,693
Investment Earnings:								
Net Increase (Decrease) in the Fair Value of Investments	90	77	(342)	173	160	111	140	409
Interest	—	289	215	1,013	1,674	732	1,072	4,995
Penalties and Unclaimed Properties	322	12,265	—	54	623	1,243	2,429	16,936
Cost Reimbursement/ Miscellaneous	151	1,294	191	33,931	862	154	18,370	54,953
Total Revenues	16,976	46,222	16,593	531,184	928,695	109,779	124,530	1,773,979
Expenditures:								
Current:								
General Government	131	14,891	228	1,313	206,859	5,244	11,777	240,443
Education	65	—	—	1,043	—	1,969	—	3,077
Natural and Economic Resources	20,513	109	15,225	3,324	—	96,961	106,135	242,267
Transportation and Law Enforcement	—	27,276	—	4,353	238,812	—	41,482	311,923
Human Services	—	314	—	681,827	—	—	3,808	685,949
Debt Service:								
Principal	—	23	—	—	—	90	596	709
Interest	—	—	8	—	—	15	7	30
Total Expenditures	20,709	42,613	15,461	691,860	445,671	104,279	163,805	1,484,398
Excess Revenues (Expenditures)	(3,733)	3,609	1,132	(160,676)	483,024	5,500	(39,275)	289,581
Other Financing Sources (Uses):								
Issuance of Notes/ Capital Leases/ Financed Purchases	—	—	26	—	—	—	—	26
Proceeds from Sale of Capital Assets	22	36	15	—	8,484	7	29	8,593
Transfers In	—	1,424	15	200,729	689	4,019	50,592	257,468
Transfers Out	(280)	—	(126)	(14,764)	(456,830)	—	(22,392)	(494,392)
Total Other Financing Sources (Uses)	(258)	1,460	(70)	185,965	(447,657)	4,026	28,229	(228,305)
Net Change in								
Fund Balances	(3,991)	5,069	1,062	25,289	35,367	9,526	(11,046)	61,276
Fund Balances - Beginning	50,997	33,694	13,754	29,244	205,304	66,646	84,402	484,041
Increase (Decrease) in Reserve for Inventory	—	(10)	2	34	393	—	(80)	339
Fund Balances - Ending	\$ 47,006	\$ 38,753	\$ 14,818	\$ 54,567	\$ 241,064	\$ 76,172	\$ 73,276	\$ 545,656

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Professional Registration			Judicial Protection and Assistance		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes:						
Sales and Use	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Cigarette	—	—	—	—	—	—
Fuel	—	—	—	—	—	—
County Foreign Insurance	—	—	—	—	—	—
Liquor/Wine	—	—	—	—	—	—
Reimbursement/Miscellaneous	95	94	(1)	—	—	—
Total Taxes	95	94	(1)	—	—	—
Licenses, Fees, and Permits	16,466	16,322	(144)	32,965	29,513	(3,452)
Sales	—	—	—	—	—	—
Leases and Rentals	—	—	—	—	—	—
Services	—	—	—	1,013	907	(106)
Contributions and Intergovernmental	2	2	—	2,692	2,410	(282)
Interest	—	—	—	327	293	(34)
Penalties and Unclaimed Property	325	322	(3)	13,728	12,290	(1,438)
Cost Reimbursement/ Miscellaneous	152	151	(1)	1,469	1,315	(154)
Total Revenues	17,040	16,891	(149)	52,194	46,728	(5,466)
Expenditures:						
Current:						
General Government	49	5	44	22,833	13,334	9,499
Education	150	65	85	—	—	—
Natural and Economic Resources	13,173	9,066	4,107	3,784	110	3,674
Transportation and Law Enforcement	—	—	—	36,029	27,946	8,083
Human Services	—	—	—	783	307	476
Debt Service:	—	—	—	—	—	—
Total Expenditures	13,372	9,136	4,236	63,429	41,697	21,732
Excess Revenues (Expenditures)	3,668	7,755	4,087	(11,235)	5,031	16,266
Other Financing Sources (Uses):						
Transfers In	358	22	(336)	4,586	4,295	(291)
Transfers Out	(14,714)	(11,910)	2,804	(3,623)	(3,171)	452
Total Other Financing Sources (Uses)	(14,356)	(11,888)	2,468	963	1,124	161
Net Change in Fund Balances	(10,688)	(4,133)	6,555	(10,272)	6,155	16,427
Fund Balances - Beginning	51,475	51,475	—	33,798	33,798	—
Fund Balances - Ending	\$ 40,787	\$ 47,342	\$ 6,555	\$ 23,526	\$ 39,953	\$ 16,427
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(19,175)			(16,181)	
Investments at Fair Value		19,274			16,265	
Receivables, Net		—			899	
Due from Other Funds		—			—	
Inventories		26			8	
Accounts Payable		(177)			(1,372)	
Accrued Payroll		(255)			(434)	
Due to Other Funds		(29)			(284)	
Deferred Inflows of Resources		—			(101)	
Fund Balance per GAAP		\$ 47,006			\$ 38,753	

Agriculture and State Fair			Social Assistance		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	42,912	40,937	(1,975)
—	—	—	—	—	—
—	—	—	—	—	—
4,487	4,361	(126)	—	—	—
—	—	—	66,689	63,620	(3,069)
4,487	4,361	(126)	109,601	104,557	(5,044)
12,467	12,117	(350)	41,026	39,137	(1,889)
1	1	—	1,146	1,093	(53)
—	—	—	—	—	—
5	5	—	1	1	—
133	129	(4)	383,461	365,813	(17,648)
137	133	(4)	1,043	995	(48)
—	—	—	10	10	—
220	179	(41)	37,031	35,327	(1,704)
17,450	16,925	(525)	573,319	546,933	(26,386)
355	175	180	5,679	3,786	1,893
—	—	—	3,183	1,771	1,412
15,540	11,139	4,401	6,946	3,327	3,619
—	—	—	5,437	3,813	1,624
—	—	—	613,587	511,179	102,408
—	—	—	3	3	—
15,895	11,314	4,581	634,835	523,879	110,956
1,555	5,611	4,056	(61,516)	23,054	84,570
26	15	(11)	263,513	201,906	(61,607)
(4,660)	(4,318)	342	(343,360)	(202,517)	140,843
(4,634)	(4,303)	331	(79,847)	(611)	79,236
(3,079)	1,308	4,387	(141,363)	22,443	163,806
10,115	10,115	—	66,323	66,323	—
\$ 7,036	\$ 11,423	\$ 4,387	\$ (75,040)	\$ 88,766	\$ 163,806
	(4,396)			(35,760)	
	6,682			35,984	
	1,555			7,005	
	—			—	
	18			83	
	(103)			(40,546)	
	(336)			(446)	
	(18)			(63)	
	(7)			(456)	
	\$ 14,818			\$ 54,567	

This statement is continued on pages 166 - 167

	Transportation and Law Enforcement			Unemployment and Workers' Compensation		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes:						
Sales and Use	\$ 28,050	\$ 24,869	\$ (3,181)	\$ —	\$ —	\$ —
Cigarette	—	—	—	—	—	—
Fuel	811,636	719,603	(92,033)	—	—	—
County Foreign Insurance	—	—	—	—	—	—
Liquor/Wine	—	—	—	—	—	—
Reimbursement/Miscellaneous	—	—	—	140,790	113,940	(26,850)
Total Taxes	839,686	744,472	(95,214)	140,790	113,940	(26,850)
Licenses, Fees, and Permits	243,829	216,181	(27,648)	—	—	—
Sales	9,450	8,379	(1,071)	—	—	—
Leases and Rentals	—	—	—	—	—	—
Services	—	—	—	—	—	—
Contributions and Intergovernmental	447	396	(51)	2,604	2,107	(497)
Interest	1,896	1,681	(215)	877	710	(167)
Penalties and Unclaimed Property	675	599	(76)	5,411	4,379	(1,032)
Cost Reimbursement/ Miscellaneous	1,427	1,265	(162)	435	352	(83)
Total Revenues	1,097,410	972,973	(124,437)	150,117	121,488	(28,629)
Expenditures:						
Current:						
General Government	230,671	213,209	17,462	47,257	7,381	39,876
Education	—	—	—	2,218	2,018	200
Natural and Economic Resources	—	—	—	144,669	88,713	55,956
Transportation and Law Enforcement	331,846	255,043	76,803	—	—	—
Human Services	—	—	—	—	—	—
Debt Service:	—	—	—	4	1	3
Total Expenditures	562,517	468,252	94,265	194,148	98,113	96,035
Excess Revenues (Expenditures)	534,893	504,721	(30,172)	(44,031)	23,375	67,406
Other Financing Sources (Uses):						
Transfers In	561,872	538,448	(23,424)	12	7	(5)
Transfers Out	(1,097,961)	(1,007,028)	90,933	(11,249)	(9,324)	1,925
Total Other Financing Sources (Uses)	(536,089)	(468,580)	67,509	(11,237)	(9,317)	1,920
Net Change in Fund Balances	(1,196)	36,141	37,337	(55,268)	14,058	69,326
Fund Balances - Beginning	85,351	85,351	—	43,182	43,182	—
Fund Balances - Ending	\$ 84,155	\$ 121,492	\$ 37,337	\$ (12,086)	\$ 57,240	\$ 69,326
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(37,300)			(23,161)	
Investments at Fair Value		45,108			23,281	
Receivables, Net		122,925			19,598	
Due from Other Funds		—			2,934	
Inventories		4,335			—	
Accounts Payable		(6,256)			(2,338)	
Accrued Payroll		(4,525)			(500)	
Due to Other Funds		(251)			(46)	
Deferred Inflows of Resources		(4,464)			(836)	
Fund Balance per GAAP		\$ 241,064			\$ 76,172	

This statement is continued from page 165.

Reimbursements and Other			Totals		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ 28,050	\$ 24,869	\$ (3,181)
—	—	—	42,912	40,937	(1,975)
—	—	—	811,636	719,603	(92,033)
278	249	(29)	278	249	(29)
—	—	—	4,487	4,361	(126)
—	—	—	207,574	177,654	(29,920)
<u>278</u>	<u>249</u>	<u>(29)</u>	<u>1,094,937</u>	<u>967,673</u>	<u>(127,264)</u>
111,823	100,214	(11,609)	458,576	413,484	(45,092)
356	319	(37)	10,953	9,792	(1,161)
1	1	—	1	1	—
15	13	(2)	1,034	926	(108)
2,180	1,954	(226)	391,519	372,811	(18,708)
1,202	1,077	(125)	5,482	4,889	(593)
2,708	2,427	(281)	22,857	20,027	(2,830)
20,610	18,470	(2,140)	61,344	57,059	(4,285)
<u>139,173</u>	<u>124,724</u>	<u>(14,449)</u>	<u>2,046,703</u>	<u>1,846,662</u>	<u>(200,041)</u>
17,703	10,710	6,993	324,547	248,600	75,947
—	—	—	5,551	3,854	1,697
103,600	87,325	16,275	287,712	199,680	88,032
103,576	35,104	68,472	476,888	321,906	154,982
4,692	2,945	1,747	619,062	514,431	104,631
12	7	5	19	11	8
<u>229,583</u>	<u>136,091</u>	<u>93,492</u>	<u>1,713,779</u>	<u>1,288,482</u>	<u>425,297</u>
<u>(90,410)</u>	<u>(11,367)</u>	<u>79,043</u>	<u>332,924</u>	<u>558,180</u>	<u>225,256</u>
87,921	60,231	(27,690)	918,288	804,924	(113,364)
(104,396)	(59,081)	45,315	(1,579,963)	(1,297,349)	282,614
<u>(16,475)</u>	<u>1,150</u>	<u>17,625</u>	<u>(661,675)</u>	<u>(492,425)</u>	<u>169,250</u>
<u>(106,885)</u>	<u>(10,217)</u>	<u>96,668</u>	<u>(328,751)</u>	<u>65,755</u>	<u>394,506</u>
87,381	87,381	—	377,625	377,625	—
<u>\$ (19,504)</u>	<u>\$ 77,164</u>	<u>\$ 96,668</u>	<u>\$ 48,874</u>	<u>\$ 443,380</u>	<u>\$ 394,506</u>
	(30,227)			(166,200)	
	30,470			177,064	
	2,451			154,433	
	—			2,934	
	294			4,764	
	(4,390)			(55,182)	
	(2,091)			(8,587)	
	(103)			(794)	
	(292)			(6,156)	
	<u>\$ 73,276</u>			<u>\$ 545,656</u>	



*The **Debt Service Funds** account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.*

Debt Service Funds:

Water Pollution Control Bond and Interest - Accounts for moneys used to pay the principal of the Water Pollution Control Bonds and the interest thereon.

Fourth State Building Bond and Interest - Accounts for moneys used to pay the principal of the Fourth State Building Bonds and the interest thereon.

Stormwater Control Bond and Interest - Accounts for moneys used to pay the principal of the Stormwater Control Bonds and the interest thereon.

Fulton State Hospital Bond and Interest - Accounts for moneys used to pay the principal of the Fulton State Hospital Bonds and the interest thereon.

Missouri Road Bond - Accounts for moneys used to pay bonds issued by the Highway and Transportation Commission.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
June 30, 2020
(In Thousands of Dollars)**

	Water Pollution Control Bond and Interest	Fourth State Building Bond and Interest	Stormwater Control Bond and Interest	Fulton State Hospital Bond and Interest	Missouri Road Bond	Totals June 30, 2020
ASSETS						
Cash and Cash Equivalents	\$ 2,192	\$ 796	\$ 335	\$ 2,325	\$ 10,427	\$ 16,075
Investments	9,725	3,533	1,487	10,314	21,612	46,671
Accounts Receivable, Net	—	—	—	—	22,595	22,595
Interest Receivable	47	18	7	50	175	297
Total Assets	<u>\$ 11,964</u>	<u>\$ 4,347</u>	<u>\$ 1,829</u>	<u>\$ 12,689</u>	<u>\$ 54,809</u>	<u>\$ 85,638</u>
DEFERRED INFLOWS OF RESOURCES						
	\$ 18	\$ 6	\$ 3	\$ 19	\$ —	\$ 46
FUND BALANCES						
Restricted	11,946	4,341	1,826	12,670	54,809	85,592
Total Fund Balances	<u>11,946</u>	<u>4,341</u>	<u>1,826</u>	<u>12,670</u>	<u>54,809</u>	<u>85,592</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,964</u>	<u>\$ 4,347</u>	<u>\$ 1,829</u>	<u>\$ 12,689</u>	<u>\$ 54,809</u>	<u>\$ 85,638</u>

Note: There were no liabilities for fiscal year ended June 30, 2020.

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Water Pollution Control Bond and Interest	Fourth State Building Bond and Interest	Stormwater Control Bond and Interest	Fulton State Hospital Bond and Interest	Missouri Road Bond	Totals June 30, 2020
Revenues:						
Taxes	\$ —	\$ —	\$ —	\$ —	\$ 185,192	\$ 185,192
Contributions and Intergovernmental	—	—	—	—	12,143	12,143
Investment Earnings:						
Net Increase (Decrease) in the Fair Value of Investments	56	16	9	60	121	262
Interest	219	118	32	226	1,624	2,219
Total Revenues	<u>275</u>	<u>134</u>	<u>41</u>	<u>286</u>	<u>199,080</u>	<u>199,816</u>
Expenditures:						
Current:						
Transportation and Law Enforcement	—	—	—	—	5	5
Debt Service:						
Principal	10,640	9,455	1,495	5,355	124,140	151,085
Interest	1,740	420	285	6,991	76,031	85,467
Total Expenditures	<u>12,380</u>	<u>9,875</u>	<u>1,780</u>	<u>12,346</u>	<u>200,176</u>	<u>236,557</u>
Excess Revenues (Expenditures)	<u>(12,105)</u>	<u>(9,741)</u>	<u>(1,739)</u>	<u>(12,060)</u>	<u>(1,096)</u>	<u>(36,741)</u>
Other Financing Sources (Uses):						
Transfers In	<u>11,380</u>	<u>3,869</u>	<u>1,745</u>	<u>12,113</u>	<u>—</u>	<u>29,107</u>
Total Other Financing Sources (Uses)	<u>11,380</u>	<u>3,869</u>	<u>1,745</u>	<u>12,113</u>	<u>—</u>	<u>29,107</u>
Net Change in Fund Balances	(725)	(5,872)	6	53	(1,096)	(7,634)
Fund Balances - Beginning	<u>12,671</u>	<u>10,213</u>	<u>1,820</u>	<u>12,617</u>	<u>55,905</u>	<u>93,226</u>
Fund Balances - Ending	<u>\$ 11,946</u>	<u>\$ 4,341</u>	<u>\$ 1,826</u>	<u>\$ 12,670</u>	<u>\$ 54,809</u>	<u>\$ 85,592</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Water Pollution Control Bond and Interest			Fourth State Building Bond and Interest		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Vehicle Sales and Use Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Contributions and Intergovernmental	—	—	—	—	—	—
Interest	223	223	—	135	134	(1)
Total Revenues	<u>223</u>	<u>223</u>	<u>—</u>	<u>135</u>	<u>134</u>	<u>(1)</u>
Expenditures:						
Debt Service	12,380	12,380	—	9,875	9,875	—
Total Expenditures	<u>12,380</u>	<u>12,380</u>	<u>—</u>	<u>9,875</u>	<u>9,875</u>	<u>—</u>
Excess Revenues (Expenditures)	<u>(12,157)</u>	<u>(12,157)</u>	<u>—</u>	<u>(9,740)</u>	<u>(9,741)</u>	<u>(1)</u>
Other Financing Sources (Uses):						
Transfers In	11,596	11,380	(216)	4,171	3,869	(302)
Total Other Financing Sources (Uses)	<u>11,596</u>	<u>11,380</u>	<u>(216)</u>	<u>4,171</u>	<u>3,869</u>	<u>(302)</u>
Net Change in Fund Balances	(561)	(777)	(216)	(5,569)	(5,872)	(303)
Fund Balances - Beginning	12,628	12,628	—	10,177	10,177	—
Fund Balances - Ending	<u>\$ 12,067</u>	<u>\$ 11,851</u>	<u>\$ (216)</u>	<u>\$ 4,608</u>	<u>\$ 4,305</u>	<u>\$ (303)</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(9,659)			(3,509)	
Investments at Fair Value		9,725			3,533	
Receivables, Net		47			18	
Deferred Inflows of Resources		(18)			(6)	
Fund Balances - GAAP Basis		<u>\$ 11,946</u>			<u>\$ 4,341</u>	

Stormwater Control Bond and Interest			Fulton State Hospital Bond and Interest		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—
33	32	(1)	228	228	—
33	32	(1)	228	228	—
1,780	1,780	—	12,346	12,346	—
1,780	1,780	—	12,346	12,346	—
(1,747)	(1,748)	(1)	(12,118)	(12,118)	—
1,779	1,745	(34)	12,342	12,113	(229)
1,779	1,745	(34)	12,342	12,113	(229)
32	(3)	(35)	224	(5)	(229)
1,814	1,814	—	12,575	12,575	—
<u>\$ 1,846</u>	<u>\$ 1,811</u>	<u>\$ (35)</u>	<u>\$ 12,799</u>	<u>\$ 12,570</u>	<u>\$ (229)</u>
	(1,476)			(10,245)	
	1,487			10,314	
	7			50	
	(3)			(19)	
	<u>\$ 1,826</u>			<u>\$ 12,670</u>	

This statement is continued on page 174.

	Missouri Road Bond			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Vehicle Sales and Use Tax	\$ 193,949	\$ 179,846	\$ (14,103)	\$ 193,949	\$ 179,846	\$ (14,103)
Contributions and Intergovernmental	—	6,071	6,071	—	6,071	6,071
Interest	1,203	1,679	476	1,822	2,296	474
Total Revenues	<u>195,152</u>	<u>187,596</u>	<u>(7,556)</u>	<u>195,771</u>	<u>188,213</u>	<u>(7,558)</u>
Expenditures:						
Debt Service	<u>194,105</u>	<u>194,086</u>	<u>19</u>	<u>230,486</u>	<u>230,467</u>	<u>19</u>
Total Expenditures	<u>194,105</u>	<u>194,086</u>	<u>19</u>	<u>230,486</u>	<u>230,467</u>	<u>19</u>
Excess Revenues (Expenditures)	<u>1,047</u>	<u>(6,490)</u>	<u>(7,537)</u>	<u>(34,715)</u>	<u>(42,254)</u>	<u>(7,539)</u>
Other Financing Sources (Uses):						
Transfers In	—	—	—	29,888	29,107	(781)
Total Other Financing Sources (Uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>29,888</u>	<u>29,107</u>	<u>(781)</u>
Net Change in Fund Balances	1,047	(6,490)	(7,537)	(4,827)	(13,147)	(8,320)
Fund Balances - Beginning	<u>38,427</u>	<u>38,427</u>	<u>—</u>	<u>75,621</u>	<u>75,621</u>	<u>—</u>
Fund Balances - Ending	<u>\$ 39,474</u>	<u>\$ 31,937</u>	<u>\$ (7,537)</u>	<u>\$ 70,794</u>	<u>\$ 62,474</u>	<u>\$ (8,320)</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(21,510)			(46,399)	
Investments at Fair Value		21,612			46,671	
Receivables, Net		22,770			22,892	
Deferred Inflows of Resources		—			(46)	
Fund Balances - GAAP Basis		<u>\$ 54,809</u>			<u>\$ 85,592</u>	

This statement is continued from page 173.



*The **Capital Projects Funds** account for financial resources to be used for the acquisition or construction of major capital facilities.*

Non-Major Capital Projects Funds:

Board of Public Buildings - Accounts for bond sale proceeds to be used for renovating state buildings and structures.

Fulton State Hospital - Accounts for proceeds from the sale of bonds to be used for the completion of the design and construction of the replacement for Fulton State Hospital.

State Historical Society - Accounts for proceeds from the sale of bonds to be used for the design, acquisition, and construction of the building for the State Historical Society.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
June 30, 2020
(In Thousands of Dollars)**

	Board of Public Buildings	Fulton State Hospital	State Historical Society	Totals June 30, 2020
ASSETS				
Cash and Cash Equivalents	\$ 5,158	\$ 924	\$ 220	\$ 6,302
Investments	22,886	4,100	974	27,960
Interest Receivable	125	21	8	154
Total Assets	<u>\$ 28,169</u>	<u>\$ 5,045</u>	<u>\$ 1,202</u>	<u>\$ 34,416</u>
LIABILITIES				
Accounts Payable	\$ 99	\$ —	\$ —	\$ 99
Total Liabilities	99	—	—	99
DEFERRED INFLOWS OF RESOURCES				
	48	8	3	59
FUND BALANCES				
Restricted	28,022	5,037	1,199	34,258
Total Fund Balances	<u>28,022</u>	<u>5,037</u>	<u>1,199</u>	<u>34,258</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 28,169</u>	<u>\$ 5,045</u>	<u>\$ 1,202</u>	<u>\$ 34,416</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Board of Public Buildings	Fulton State Hospital	State Historical Society	Totals <u>June 30, 2020</u>
Revenues:				
Investment Earnings:				
Net Increase (Decrease) in the Fair Value of Investments	\$ 115	\$ 20	\$ (1)	\$ 134
Interest	734	128	97	959
Total Revenues	<u>849</u>	<u>148</u>	<u>96</u>	<u>1,093</u>
Expenditures:				
Current:				
General Government	—	—	5,995	5,995
Education	2,622	—	—	2,622
Natural and Economic Resources	4	—	—	4
Capital Outlay:				
General Government	13,836	—	—	13,836
Natural and Economic Resources	2,638	—	—	2,638
Transportation and Law Enforcement	213	—	—	213
Human Services	529	1,426	—	1,955
Debt Service:				
Principal	2	—	—	2
Total Expenditures	<u>19,844</u>	<u>1,426</u>	<u>5,995</u>	<u>27,265</u>
Excess Revenues (Expenditures)	<u>(18,995)</u>	<u>(1,278)</u>	<u>(5,899)</u>	<u>(26,172)</u>
Net Change in Fund Balances	(18,995)	(1,278)	(5,899)	(26,172)
Fund Balances - Beginning	<u>47,017</u>	<u>6,315</u>	<u>7,098</u>	<u>60,430</u>
Fund Balances - Ending	<u>\$ 28,022</u>	<u>\$ 5,037</u>	<u>\$ 1,199</u>	<u>\$ 34,258</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR CAPITAL PROJECT FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Board of Public Buildings			Fulton State Hospital		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Interest	\$ 806	\$ 805	\$ (1)	\$ 155	\$ 155	\$ —
Total Revenues	<u>806</u>	<u>805</u>	<u>(1)</u>	<u>155</u>	<u>155</u>	<u>—</u>
Expenditures:						
Current:						
General Government	16,834	16,728	106	—	—	—
Education	2,622	2,622	—	—	—	—
Natural and Economic Resources	1,218	1,218	—	—	—	—
Transportation and Law Enforcement	421	421	—	—	—	—
Human Services	626	626	—	333	270	63
Capital Outlays:						
General Government	1,126	1,119	7	—	—	—
Natural and Economic Resources	1,332	1,332	—	—	—	—
Transportation and Law Enforcement	28	28	—	—	—	—
Human Services	15	15	—	5,955	4,818	1,137
Total Expenditures	<u>24,222</u>	<u>24,109</u>	<u>113</u>	<u>6,288</u>	<u>5,088</u>	<u>1,200</u>
Excess Revenues (Expenditures)	<u>(23,416)</u>	<u>(23,304)</u>	<u>112</u>	<u>(6,133)</u>	<u>(4,933)</u>	<u>1,200</u>
Net Changes in Fund Balances	<u>(23,416)</u>	<u>(23,304)</u>	<u>112</u>	<u>(6,133)</u>	<u>(4,933)</u>	<u>1,200</u>
Fund Balances - Beginning	51,192	51,192	—	9,929	9,929	—
Fund Balances - Ending	<u>\$ 27,776</u>	<u>\$ 27,888</u>	<u>\$ 112</u>	<u>\$ 3,796</u>	<u>\$ 4,996</u>	<u>\$ 1,200</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(22,730)			(4,072)	
Investments at Fair Value		22,886			4,100	
Receivables, Net		125			21	
Account Payable		(99)			—	
Deferred Inflows of Resources		(48)			(8)	
Fund Balance - GAAP Basis		<u>\$ 28,022</u>			<u>\$ 5,037</u>	

State Historical Society			Total		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 129	\$ 130	\$ 1	\$ 1,090	\$ 1,090	\$ —
<u>129</u>	<u>130</u>	<u>1</u>	<u>1,090</u>	<u>1,090</u>	<u>—</u>
8,548	8,548	—	25,382	25,276	106
—	—	—	2,622	2,622	—
—	—	—	1,218	1,218	—
—	—	—	421	421	—
—	—	—	959	896	63
—	—	—	1,126	1,119	7
—	—	—	1,332	1,332	—
—	—	—	28	28	—
—	—	—	5,970	4,833	1,137
<u>8,548</u>	<u>8,548</u>	<u>—</u>	<u>39,058</u>	<u>37,745</u>	<u>1,313</u>
<u>(8,419)</u>	<u>(8,418)</u>	<u>1</u>	<u>(37,968)</u>	<u>(36,655)</u>	<u>1,313</u>
<u>(8,419)</u>	<u>(8,418)</u>	<u>1</u>	<u>(37,968)</u>	<u>(36,655)</u>	<u>1,313</u>
<u>9,606</u>	<u>9,606</u>	<u>—</u>	<u>70,727</u>	<u>70,727</u>	<u>—</u>
<u>\$ 1,187</u>	<u>\$ 1,188</u>	<u>\$ 1</u>	<u>\$ 32,759</u>	<u>\$ 34,072</u>	<u>\$ 1,313</u>
	(968)			(27,770)	
	974			27,960	
	8			154	
	—			(99)	
	(3)			(59)	
	<u>\$ 1,199</u>			<u>\$ 34,258</u>	



*The **Permanent Funds** account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs.*

Permanent Funds:

Arrow Rock State Historic Site Endowment - Accounts for moneys transferred from the State Parks Earnings Fund, as well as other moneys or property received by grant, gift, donation, or bequest specified for the enhancement of the Arrow Rock State Historic Site.

Confederate Memorial Park - Accounts for the income from investments acquired by gifts, donations, and bequests to be used for the maintenance of the Confederate Memorial Park.

State Public School - Accounts for all moneys, bonds, lands, and other properties belonging to or donated to the State for public school use in establishing and maintaining free public schools.

Smith Memorial Endowment Trust - Accounts for moneys bequeathed for the use and benefit of the Crippled Children's Service.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
PERMANENT FUNDS
June 30, 2020
(In Thousands of Dollars)**

	Arrow Rock State Historic Site Endowment	Confederate Memorial Park	State Public School	Smith Memorial Endowment Trust	Totals June 30, 2020
ASSETS					
Cash and Cash Equivalents	\$ 18	\$ 111	\$ 1,606	\$ 222	\$ 1,957
Investments	12	76	61,054	151	61,293
Interest Receivable	—	—	—	1	1
Total Assets	<u>\$ 30</u>	<u>\$ 187</u>	<u>\$ 62,660</u>	<u>\$ 374</u>	<u>\$ 63,251</u>
FUND BALANCES					
Nonspendable	\$ 30	\$ 75	\$ 62,660	\$ 365	\$ 63,130
Assigned	—	112	—	9	121
Total Fund Balances	<u>30</u>	<u>187</u>	<u>62,660</u>	<u>374</u>	<u>63,251</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 30</u>	<u>\$ 187</u>	<u>\$ 62,660</u>	<u>\$ 374</u>	<u>\$ 63,251</u>

Note: There were no liabilities for the fiscal year ended June 30, 2020.

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
PERMANENT FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Arrow Rock State Historic Site Endowment	Confederate Memorial Park	State Public School	Smith Memorial Endowment Trust	Totals June 30, 2020
Revenues:					
Investment Earnings:					
Net Increase (Decrease) in the Fair Value of Investments	\$ —	\$ —	\$ 60	\$ —	\$ 60
Interest	—	3	—	6	9
Penalties and Unclaimed Properties	—	—	2,568	—	2,568
Cost Reimbursement/Miscellaneous	—	—	3	—	3
Total Revenues	—	3	2,631	6	2,640
Expenditures:					
Human Services	—	—	—	9	9
Total Expenditures	—	—	—	9	9
Excess Revenues (Expenditures)	—	3	2,631	(3)	2,631
Net Change in Fund Balances	—	3	2,631	(3)	2,631
Fund Balances - Beginning	30	184	60,029	377	60,620
Fund Balances - Ending	\$ 30	\$ 187	\$ 62,660	\$ 374	\$ 63,251

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL PERMANENT FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Arrow Rock State Historic Site Endowment			Confederate Memorial Park		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Interest	\$ —	\$ —	\$ —	\$ 3	\$ 3	\$ —
Penalties and Unclaimed Property	—	—	—	—	—	—
Reimbursement/Miscellaneous	—	—	—	—	—	—
Total Revenues	—	—	—	3	3	—
Expenditures:						
Current:						
Human Services	—	—	—	—	—	—
Total Expenditures	—	—	—	—	—	—
Excess Revenues (Expenditures)	—	—	—	3	3	—
Other Financing Sources (Uses):						
Transfers In	—	—	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—	—	—
Net Changes in Fund Balances	—	—	—	3	3	—
Fund Balances - Beginning	30	30	—	184	184	—
Fund Balances - Ending	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ —</u>	<u>\$ 187</u>	<u>\$ 187</u>	<u>\$ —</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(12)			(76)	
Investments at Fair Value		12			76	
Receivable, Net		—			—	
Fund Balance - GAAP Basis		<u>\$ 30</u>			<u>\$ 187</u>	

State Public School			Smith Memorial Endowment Trust		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ 7	\$ 5	\$ (2)
—	56	56	—	—	—
—	607	607	—	—	—
—	663	663	7	5	(2)
—	—	—	10	9	1
—	—	—	10	9	1
—	663	663	(3)	(4)	(1)
3,000	2,513	(487)	—	—	—
3,000	2,513	(487)	—	—	—
3,000	3,176	176	(3)	(4)	(1)
49,317	49,317	—	377	377	—
<u>\$ 52,317</u>	<u>\$ 52,493</u>	<u>\$ 176</u>	<u>\$ 374</u>	<u>\$ 373</u>	<u>\$ (1)</u>
	(50,887)			(151)	
	61,054			151	
	—			1	
	<u>\$ 62,660</u>			<u>\$ 374</u>	

This statement is continued on page 187.

	Totals		
	Budget	Actual	Variance
Revenues:			
Interest	\$ 10	\$ 8	\$ (2)
Penalties and Unclaimed Property	—	56	56
Reimbursement/Miscellaneous	—	607	607
Total Revenues	<u>10</u>	<u>671</u>	<u>661</u>
Expenditures:			
Current:			
Human Services	10	9	1
Total Expenditures	<u>10</u>	<u>9</u>	<u>1</u>
Excess Revenues (Expenditures)	<u>—</u>	<u>662</u>	<u>662</u>
Other Financing Sources (Uses):			
Transfers In	3,000	2,513	(487)
Total Other Financing Sources (Uses)	<u>3,000</u>	<u>2,513</u>	<u>(487)</u>
Net Changes in Fund Balances	3,000	3,175	175
Fund Balances - Beginning	<u>49,908</u>	<u>49,908</u>	<u>—</u>
Fund Balances - Ending	<u>\$ 52,908</u>	<u>\$ 53,083</u>	<u>\$ 175</u>
Reconciling Items:			
Reclassifying Cash Equivalents as Investments		(51,126)	
Investments at Fair Value		61,293	
Receivable, Net		1	
Fund Balance - GAAP Basis		<u>\$ 63,251</u>	

This statement is continued from page 186.



*The **Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises.*

Non-Major Enterprise Funds:

State Fair Fees - Accounts for the fairground admission fees used to improve the grounds and to pay the operating costs of the State Fair.

State Parks - Accounts for park concessions and contributions which are used to acquire and operate state parks.

Natural Resources Revolving Services - Accounts for moneys received from the delivery of services and the sale or resale of maps, plats, reports, studies, records, and other publications and documents.

Historic Preservation Revolving - Accounts for gifts, grants, and contributions used to acquire, preserve, restore, maintain, or operate any historical properties.

Petroleum Storage Tank Insurance - Accounts for moneys collected from transport load fees and participating owners of petroleum storage tanks for cleanup of contamination caused by releases from petroleum storage tanks.

State Agency for Surplus Property - Accounts for the surplus property operation.

Department of Revenue Information - Accounts for fees received by the Department of Revenue for publications and used to pay the costs of providing this information.

Inmate Canteen - Accounts for sales of the canteen or commissary which is used to improve offender recreational, religious, or education services.

STATE OF MISSOURI
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
June 30, 2020
(In Thousands of Dollars)

	State Fair Fees	State Parks	Natural Resources Revolving Services
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 846	\$ 10,922	\$ 1,318
Investments	581	7,501	904
Accounts Receivable, Net	40	—	—
Interest Receivable	3	40	—
Due from Other Funds	2	1	77
Inventories	5	958	24
Loans Receivable	—	—	—
Total Current Assets	<u>1,477</u>	<u>19,422</u>	<u>2,323</u>
Non-Current Assets:			
Capital Assets:			
Construction in Progress	—	1,733	—
Software in Progress	—	—	—
Land	—	32,296	—
Land Improvements	173	49,813	—
Temporary Easements	—	50	—
Buildings	756	49,567	—
Equipment	556	14,945	17,672
Software	7	—	—
Less Accumulated Depreciation/Amortization	(979)	(41,880)	(11,508)
Total Non-Current Assets	<u>513</u>	<u>106,524</u>	<u>6,164</u>
Total Assets	<u>1,990</u>	<u>125,946</u>	<u>8,487</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>301</u>	<u>812</u>	<u>71</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	119	306	111
Accrued Payroll	19	58	9
Due to Other Funds	5	4	2
Unearned Revenue	—	—	—
Claims Liability	—	—	—
Compensated Absences	21	98	10
Total Current Liabilities	<u>164</u>	<u>466</u>	<u>132</u>
Non-Current Liabilities:			
Claims Liability	—	—	—
Compensated Absences	—	29	5
Asset Retirement Obligations	—	—	2
Net OPEB Liability	306	1,644	52
Net Pension Liability	1,035	3,995	146
Total Non-Current Liabilities	<u>1,341</u>	<u>5,668</u>	<u>205</u>
Total Liabilities	<u>1,505</u>	<u>6,134</u>	<u>337</u>
DEFERRED INFLOWS OF RESOURCES	<u>43</u>	<u>110</u>	<u>5</u>
NET POSITION			
Net Investment in Capital Assets	513	106,524	6,164
Unrestricted	230	13,990	2,052
Total Net Position	<u>\$ 743</u>	<u>\$ 120,514</u>	<u>\$ 8,216</u>

Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency For Surplus Property	Department of Revenue Information	Inmate Canteen	Totals
					June 30, 2020
\$ 663	\$ 23,017	\$ 1,006	\$ 401	\$ 3,641	\$ 41,814
454	15,454	688	286	2,487	28,355
—	1,855	72	20	—	1,987
6	80	4	—	—	133
—	—	—	—	—	80
—	—	—	—	3,416	4,403
107	—	—	—	—	107
<u>1,230</u>	<u>40,406</u>	<u>1,770</u>	<u>707</u>	<u>9,544</u>	<u>76,879</u>
—	—	—	—	—	1,733
—	—	30	—	—	30
—	—	—	—	—	32,296
—	—	250	—	—	50,236
—	—	—	—	—	50
480	—	1,909	—	—	52,712
11	165	1,196	78	917	35,540
—	—	155	—	—	162
(246)	(144)	(2,533)	(78)	(173)	(57,541)
<u>245</u>	<u>21</u>	<u>1,007</u>	<u>—</u>	<u>744</u>	<u>115,218</u>
<u>1,475</u>	<u>40,427</u>	<u>2,777</u>	<u>707</u>	<u>10,288</u>	<u>192,097</u>
<u>105</u>	<u>743</u>	<u>447</u>	<u>—</u>	<u>1,105</u>	<u>3,584</u>
2	173	9	—	1,302	2,022
8	62	27	—	138	321
1	1	2	—	4	19
—	502	—	—	—	502
—	12,500	—	—	—	12,500
10	146	43	—	251	579
<u>21</u>	<u>13,384</u>	<u>81</u>	<u>—</u>	<u>1,695</u>	<u>15,943</u>
—	72,663	—	—	—	72,663
5	—	24	—	—	63
—	—	—	—	—	2
163	899	637	—	380	4,081
421	2,789	1,927	—	1,232	11,545
<u>589</u>	<u>76,351</u>	<u>2,588</u>	<u>—</u>	<u>1,612</u>	<u>88,354</u>
<u>610</u>	<u>89,735</u>	<u>2,669</u>	<u>—</u>	<u>3,307</u>	<u>104,297</u>
<u>14</u>	<u>93</u>	<u>62</u>	<u>—</u>	<u>55</u>	<u>382</u>
245	21	1,007	—	744	115,218
711	(48,679)	(514)	707	7,287	(24,216)
<u>\$ 956</u>	<u>\$ (48,658)</u>	<u>\$ 493</u>	<u>\$ 707</u>	<u>\$ 8,031</u>	<u>\$ 91,002</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	State Fair Fees	State Parks	Natural Resources Revolving Services
Operating Revenues:			
Licenses, Fees, and Permits	\$ 2,959	\$ 6,657	\$ 35
Sales	—	769	141
Leases and Rentals	937	2,882	—
Cost Reimbursement/Miscellaneous	1	68	8
Total Operating Revenues	<u>3,897</u>	<u>10,376</u>	<u>184</u>
Operating Expenses:			
Cost of Goods Sold	—	—	541
Personal Service	1,715	2,399	309
Operations	3,410	7,347	320
Specific Programs	26	11	1
Depreciation/Amortization	60	2,616	1,317
Other Charges	223	34	—
Total Operating Expenses	<u>5,434</u>	<u>12,407</u>	<u>2,488</u>
Operating Income (Loss)	<u>(1,537)</u>	<u>(2,031)</u>	<u>(2,304)</u>
Non-Operating Revenues (Expenses):			
Contributions and Intergovernmental	185	418	1,859
Interest Expense	24	—	—
Investment Earnings:			
Net Increase (Decrease) in the Fair Value of Investments	3	35	5
Interest	—	296	—
Disposal of Capital Assets	—	56	162
Total Non-Operating Revenues (Expenses)	<u>212</u>	<u>805</u>	<u>2,026</u>
Income (Loss) Before Transfers	(1,325)	(1,226)	(278)
Transfers In	—	—	90
Transfers Out	—	—	(90)
Change in Net Position	<u>(1,325)</u>	<u>(1,226)</u>	<u>(278)</u>
Total Net Position - Beginning	<u>2,068</u>	<u>121,740</u>	<u>8,494</u>
Total Net Position - Ending	<u>\$ 743</u>	<u>\$ 120,514</u>	<u>\$ 8,216</u>

Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency For Surplus Property	Department of Revenue Information	Inmate Canteen	Totals June 30, 2020
\$ —	\$ 17,116	\$ —	\$ —	\$ —	\$ 26,767
—	—	1,080	661	26,962	29,613
—	—	—	—	—	3,819
—	—	59	—	1,215	1,351
—	17,116	1,139	661	28,177	61,550
—	—	164	—	20,503	21,208
352	2,345	1,429	—	5,014	13,563
61	4,524	226	8	4,331	20,227
—	13,985	—	—	2	14,025
10	6	135	—	140	4,284
3	—	4	—	401	665
426	20,860	1,958	8	30,391	73,972
(426)	(3,744)	(819)	653	(2,214)	(12,422)
—	—	—	—	25	2,487
—	—	—	—	—	24
2	72	4	1	13	135
20	583	30	—	—	929
—	—	99	—	6	323
22	655	133	1	44	3,898
(404)	(3,089)	(686)	654	(2,170)	(8,524)
—	—	—	—	—	90
—	—	(30)	(766)	—	(886)
(404)	(3,089)	(716)	(112)	(2,170)	(9,320)
1,360	(45,569)	1,209	819	10,201	100,322
\$ 956	\$ (48,658)	\$ 493	\$ 707	\$ 8,031	\$ 91,002

STATE OF MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	State Fair Fees	State Parks	Natural Resources Revolving Services
Cash Flows from Operating Activities:			
Receipts from Internal Customers and Users	\$ 106	\$ —	\$ —
Receipts from External Customers and Users	3,798	10,308	176
Payments to Suppliers	(3,294)	(7,563)	(754)
Payments to Employees	(1,536)	(1,926)	(307)
Payments Made for Program Expense	(26)	(11)	(1)
Other Receipts	1	68	8
Other Payments	(223)	(34)	—
Net Cash Provided (Used) by Operating Activities	<u>(1,174)</u>	<u>842</u>	<u>(878)</u>
Cash Flows from Non-Capital Financing Activities:			
Loans Made to Outside Entities	—	—	—
Due to Other Funds	5	2	(1)
Due from Other Funds	(1)	(1)	124
Contributions and Intergovernmental	185	418	1,859
Transfers to Other Funds	—	—	(90)
Transfers from Other Funds	—	—	90
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>189</u>	<u>419</u>	<u>1,982</u>
Cash Flows from Capital and Related Financing Activities:			
Interest Expense	24	—	—
Purchases and Construction of Capital Assets	(17)	(1,928)	(788)
Disposal of Capital Assets	—	—	—
Net Cash Provided (Used) by Capital and Related Financing	<u>7</u>	<u>(1,928)</u>	<u>(788)</u>
Cash Flows from Investing Activities:			
Proceeds from Investment Maturities	886	3,971	261
Purchase of Investments	—	—	—
Interest and Dividends Received	3	313	—
Net Cash Provided (Used) by Investing Activities	<u>889</u>	<u>4,284</u>	<u>261</u>
Net Increase (Decrease) in Cash	(89)	3,617	577
Cash and Cash Equivalents, Beginning of Year	935	7,305	741
Cash and Cash Equivalents, End of Year	<u>\$ 846</u>	<u>\$ 10,922</u>	<u>\$ 1,318</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (1,537)	\$ (2,031)	\$ (2,304)
Depreciation/Amortization Expense	60	2,616	1,317
Changes in Assets and Liabilities:			
Accounts Receivable	8	—	—
Inventories	(1)	(225)	12
Deferred Outflows of Resources	83	36	(38)
Accounts Payable	117	9	95
Accrued Payroll	(3)	6	7
Unearned Revenue	—	—	—
Claims Liability	—	—	—
Compensated Absences	20	(5)	13
Net OPEB Liability	3	4	—
Net Pension Liability	83	428	19
Deferred Inflows of Resources	(7)	4	1
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,174)</u>	<u>\$ 842</u>	<u>\$ (878)</u>
Non-Cash Financing and Investing Activities:			
Increase (Decrease) in Fair Value of Investments	\$ 3	\$ 35	\$ 5
Net Non-Cash Financing and Investing Activities	<u>\$ 3</u>	<u>\$ 35</u>	<u>\$ 5</u>

					Totals
Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency for Surplus Property	Department of Revenue Information	Inmate Canteen	June 30, 2020
\$ —	\$ —	\$ 274	\$ —	\$ —	\$ 380
—	17,439	883	662	26,962	60,228
(61)	(4,473)	(458)	(8)	(24,341)	(40,952)
(301)	(1,920)	(1,148)	—	(5,312)	(12,450)
—	(11,260)	—	—	(2)	(11,300)
—	—	59	—	1,215	1,351
(3)	—	(4)	—	(401)	(665)
<u>(365)</u>	<u>(214)</u>	<u>(394)</u>	<u>654</u>	<u>(1,879)</u>	<u>(3,408)</u>
32	—	—	—	—	32
—	(10)	(2)	—	(7)	(13)
—	—	—	—	—	122
—	—	—	—	25	2,487
—	—	(30)	(766)	—	(886)
—	—	—	—	—	90
<u>32</u>	<u>(10)</u>	<u>(32)</u>	<u>(766)</u>	<u>18</u>	<u>1,832</u>
—	—	—	—	—	24
—	(11)	—	—	(342)	(3,086)
—	—	74	—	—	74
—	(11)	74	—	(342)	(2,988)
417	7,742	542	205	—	14,024
—	—	—	—	(2,474)	(2,474)
24	622	33	—	—	995
<u>441</u>	<u>8,364</u>	<u>575</u>	<u>205</u>	<u>(2,474)</u>	<u>12,545</u>
108	8,129	223	93	(4,677)	7,981
555	14,888	783	308	8,318	33,833
<u>\$ 663</u>	<u>\$ 23,017</u>	<u>\$ 1,006</u>	<u>\$ 401</u>	<u>\$ 3,641</u>	<u>\$ 41,814</u>
\$ (426)	\$ (3,744)	\$ (819)	\$ 653	\$ (2,214)	\$ (12,422)
10	6	135	—	140	4,284
—	329	77	1	—	415
—	—	—	—	81	(133)
19	50	78	—	(764)	(536)
—	51	(68)	—	412	616
—	29	(7)	—	113	145
—	(6)	—	—	—	(6)
—	2,725	—	—	—	2,725
2	73	6	—	71	180
2	8	4	—	(3)	18
31	275	204	—	268	1,308
(3)	(10)	(4)	—	17	(2)
<u>\$ (365)</u>	<u>\$ (214)</u>	<u>\$ (394)</u>	<u>\$ 654</u>	<u>\$ (1,879)</u>	<u>\$ (3,408)</u>
\$ 2	\$ 72	\$ 4	\$ 1	\$ 13	\$ 135
<u>\$ 2</u>	<u>\$ 72</u>	<u>\$ 4</u>	<u>\$ 1</u>	<u>\$ 13</u>	<u>\$ 135</u>



*The **Internal Service Funds** account for the financing of goods or services provided by one department or agency to other departments or agencies of the State on a cost-reimbursement basis.*

Internal Service Funds:

Natural Resources Cost Allocation - Accounts for the administrative costs of the Department of Natural Resources.

Mental Health Interagency Payments - Accounts for moneys received through interagency agreements for services provided by other agencies.

State Facility Maintenance and Operation - Accounts for moneys collected from tenants for rent to cover the costs of operations in state-owned office buildings and institutions, charges to tenants in leased space to cover costs of real estate administrative services, and charges to capital improvement projects to cover the costs of project management services.

Office of Administration Revolving - Accounts for the following operations: printing services, flight operations, vehicle management, garage services, data processing and telecommunication services, building and grounds, insurance services, postage, and personnel administration.

Working Capital Revolving - Accounts for the operation of correctional industry programs and correctional farm programs.

General Government Revolving - Accounts for various service operations of the House of Representatives, Supreme Court, Adjutant General, Senate, Treasurer, and Department of Corrections.

Social Services Administrative Trust - Accounts for moneys transferred or paid to the Department of Social Services from any governmental entity or the public for goods and services provided.

Economic Development Administrative - Accounts for moneys collected for goods and services provided to other divisions and used to pay the cost of providing such services.

Professional Registration Fees - Accounts for moneys received from the professional boards for administrative services.

Conservation Employees' Insurance Plan - Accounts for health insurance coverage on a self-insured basis and life insurance coverage by a third party provider for Department of Conservation employees.

Transportation Self-Insurance Plan - Accounts for highway and highway patrol moneys used to pay workers' compensation claims. Moneys are also used to pay auto claims against the Department of Transportation.

Missouri State Employees' Insurance Plan - Accounts for long-term disability and death benefits provided on a self-insured basis for state employees.

Missouri Consolidated Health Care Plan - Accounts for medical care benefits provided on a self-insured basis for active state employees.

MoDOT and MSHP Medical and Life Insurance Plan - Accounts for the medical coverage provided on a self-insured basis and death benefits provided on an insured basis to Department of Transportation employees and members of the Missouri State Highway Patrol.

STATE OF MISSOURI
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2020
(In Thousands of Dollars)

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration Revolving	Working Capital Revolving	General Government Revolving
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 544	\$ 108	\$ 2,594	\$ 13,645	\$ 8,385	\$ 1,416
Investments	365	73	1,766	10,387	5,454	969
Restricted:						
Investments	—	—	—	—	—	—
Accounts Receivable, Net	—	—	—	4,094	895	51,335
Interest Receivable	—	—	—	32	—	—
Due from Other Funds	—	150	23	8,615	115	8
Due from Component Units	—	—	—	1	—	—
Inventories	—	—	300	1,270	8,801	2
Prepaid Items	—	—	—	—	—	—
Total Current Assets	909	331	4,683	38,044	23,650	53,730
Non-Current Assets:						
Investments	—	—	—	—	—	—
Restricted Assets:						
Cash and Cash Equivalents	—	—	—	1,355	—	—
Investments	—	—	—	—	—	—
Capital Assets:						
Construction in Progress	—	—	18	—	—	—
Software in Progress	162	—	—	829	—	—
Land	—	—	8,293	—	41	—
Land Improvements	—	—	3,592	—	—	—
Buildings	219	—	482,190	2,916	6,368	—
Equipment	3,936	951	14,370	99,422	18,786	362
Software	4,557	603	98	26,328	238	9,467
Less Accumulated Depreciation/Amortization	(7,311)	(1,552)	(249,283)	(99,148)	(22,979)	(9,756)
Total Non-Current Assets	1,563	2	259,278	31,702	2,454	73
Total Assets	2,472	333	263,961	69,746	26,104	53,803
DEFERRED OUTFLOWS OF RESOURCES						
	4,394	—	12,883	7,671	4,210	33
LIABILITIES						
Current Liabilities:						
Bank Overdraft	—	—	—	—	—	—
Accounts Payable	96	—	1,104	2,746	77	724
Accrued Payroll	276	—	834	540	265	2
Due to Other Funds	57	—	60	1	—	96
Unearned Revenue	—	—	—	51	—	—
Claims Liability	—	—	—	—	—	—
Obligations under Financed Purchases	51	—	—	7,048	—	—
Obligations under Lease Purchase	1	—	1,904	90	20	—
Compensated Absences	449	—	1,534	807	597	1
Total Current Liabilities	930	—	5,436	11,283	959	823
Non-Current Liabilities:						
Claims Liability	—	—	—	—	—	—
Obligations under Financed Purchases	8	—	—	6,454	—	—
Obligations under Lease Purchase	3	—	21,931	286	64	—
Compensated Absences	272	—	418	333	—	—
Net OPEB Liability	6,776	—	22,059	9,502	6,696	839
Net Pension Liability	19,039	—	54,972	30,417	19,178	1,546
Total Non-Current Liabilities	26,098	—	99,380	46,992	25,938	2,385
Total Liabilities	27,028	—	104,816	58,275	26,897	3,208
DEFERRED INFLOWS OF RESOURCES						
	624	—	1,796	1,038	570	5
NET POSITION						
Net Investment in Capital Assets	1,500	2	235,443	16,469	2,370	73
Restricted for:						
Other Purposes	—	—	—	1,307	—	—
Unrestricted	(22,286)	331	(65,211)	328	477	50,550
Total Net Position	\$ (20,786)	\$ 333	\$ 170,232	\$ 18,104	\$ 2,847	\$ 50,623

Social Services Administrative Trust	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals June 30, 2020
\$ 20	\$ 111	\$ 446	\$ 1,131	\$ 10,433	\$ —	\$ 135,346	\$ 20,986	\$ 195,165
13	75	304	9,656	7,901	4,898	—	5,498	47,359
—	—	—	—	—	—	—	100	100
—	—	—	907	—	1,003	16,176	2,344	76,754
—	—	—	25	273	—	—	121	451
70	—	—	—	—	—	—	—	8,981
—	—	—	—	—	—	—	—	1
113	2	12	—	—	—	—	—	10,500
—	—	—	—	—	—	384	—	384
<u>216</u>	<u>188</u>	<u>762</u>	<u>11,719</u>	<u>18,607</u>	<u>5,901</u>	<u>151,906</u>	<u>29,049</u>	<u>339,695</u>
—	—	—	—	97,402	—	—	42,071	139,473
—	—	—	—	—	—	—	—	1,355
—	—	—	—	200	—	—	—	200
—	—	—	—	—	—	—	—	18
—	—	270	—	—	—	—	—	1,261
—	—	—	—	—	—	—	—	8,334
—	—	—	—	—	—	—	—	3,592
—	—	2,353	—	—	—	—	—	494,046
86	159	954	—	—	—	1,912	—	140,938
—	9	430	—	—	—	—	—	41,730
(83)	(163)	(2,667)	—	—	—	(1,734)	—	(394,676)
<u>3</u>	<u>5</u>	<u>1,340</u>	<u>—</u>	<u>97,602</u>	<u>—</u>	<u>178</u>	<u>42,071</u>	<u>436,271</u>
<u>219</u>	<u>193</u>	<u>2,102</u>	<u>11,719</u>	<u>116,209</u>	<u>5,901</u>	<u>152,084</u>	<u>71,120</u>	<u>775,966</u>
<u>1</u>	<u>457</u>	<u>2,597</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,680</u>	<u>—</u>	<u>33,926</u>
—	—	—	—	—	2	—	—	2
10	7	70	24	33	2,465	2,777	787	10,920
—	22	172	—	—	—	—	—	2,111
—	5	26	—	—	1,435	24,144	—	25,824
—	—	—	47	—	1,880	22,124	9,380	33,482
—	—	—	2,881	22,684	—	42,598	10,500	78,663
—	—	—	—	—	—	—	—	7,099
—	—	5	—	—	—	—	—	2,020
—	46	258	—	—	—	7	—	3,699
<u>10</u>	<u>80</u>	<u>531</u>	<u>2,952</u>	<u>22,717</u>	<u>5,782</u>	<u>91,650</u>	<u>20,667</u>	<u>163,820</u>
—	—	—	—	46,161	—	—	—	46,161
—	—	—	—	—	—	—	—	6,462
—	—	17	—	—	—	—	—	22,301
11	21	97	—	—	—	268	—	1,420
—	999	3,414	—	—	—	—	—	50,285
—	2,818	10,230	—	—	—	8,932	—	147,132
<u>11</u>	<u>3,838</u>	<u>13,758</u>	<u>—</u>	<u>46,161</u>	<u>—</u>	<u>9,200</u>	<u>—</u>	<u>273,761</u>
<u>21</u>	<u>3,918</u>	<u>14,289</u>	<u>2,952</u>	<u>68,878</u>	<u>5,782</u>	<u>100,850</u>	<u>20,667</u>	<u>437,581</u>
—	65	358	—	—	—	246	—	4,702
3	5	1,318	—	—	—	178	—	257,361
—	—	—	—	200	—	—	100	1,607
<u>196</u>	<u>(3,338)</u>	<u>(11,266)</u>	<u>8,767</u>	<u>47,131</u>	<u>119</u>	<u>52,490</u>	<u>50,353</u>	<u>108,641</u>
<u>\$ 199</u>	<u>\$ (3,333)</u>	<u>\$ (9,948)</u>	<u>\$ 8,767</u>	<u>\$ 47,331</u>	<u>\$ 119</u>	<u>\$ 52,668</u>	<u>\$ 50,453</u>	<u>\$ 367,609</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration Revolving	Working Capital Revolving	General Government Revolving
Operating Revenues:						
Employer Contributions	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Employee Contributions	—	—	—	—	—	—
Medicare Part D Subsidy	—	—	—	—	—	—
Licenses, Fees, and Permits	—	—	—	—	—	12,215
Sales	—	—	—	—	29,000	7
Leases and Rentals	—	—	60,890	—	28	16
Charges for Services	12,575	6,146	5,431	109,853	—	242
Cost Reimbursement/Miscellaneous	81	—	10	1,524	9	18
Total Operating Revenues	<u>12,656</u>	<u>6,146</u>	<u>66,331</u>	<u>111,377</u>	<u>29,037</u>	<u>12,498</u>
Operating Expenses:						
Cost of Goods Sold	—	—	—	10,889	12,786	—
Personal Service	12,530	—	39,705	22,807	12,971	102
Operations	2,248	30	32,209	58,954	3,417	7,150
Specific Programs	7	6,016	7	—	13	3,252
Insurance Benefits	—	—	—	—	—	—
Depreciation/Amortization	756	2	12,670	7,242	714	2
Other Charges	95	—	71	250	1,519	31
Total Operating Expenses	<u>15,636</u>	<u>6,048</u>	<u>84,662</u>	<u>100,142</u>	<u>31,420</u>	<u>10,537</u>
Operating Income (Loss)	<u>(2,980)</u>	<u>98</u>	<u>(18,331)</u>	<u>11,235</u>	<u>(2,383)</u>	<u>1,961</u>
Non-Operating Revenues (Expenses):						
Contributions and Intergovernmental	—	—	83	—	—	—
Interest Expense	—	—	(755)	(440)	(3)	—
Investment Earnings:						
Net Increase (Decrease) in the Fair Value of Investments	2	—	9	50	25	5
Interest	—	—	—	189	—	—
Disposal of Capital Assets	(135)	—	12	164	16	1
Total Non-Operating Revenues (Expenses)	<u>(133)</u>	<u>—</u>	<u>(651)</u>	<u>(37)</u>	<u>38</u>	<u>6</u>
Income (Loss) Before Transfers	<u>(3,113)</u>	<u>98</u>	<u>(18,982)</u>	<u>11,198</u>	<u>(2,345)</u>	<u>1,967</u>
Transfers In	—	—	33	22	—	—
Transfers Out	—	—	(9)	(2,048)	—	(1,512)
Change in Net Position	<u>(3,113)</u>	<u>98</u>	<u>(18,958)</u>	<u>9,172</u>	<u>(2,345)</u>	<u>455</u>
Total Net Position - Beginning	<u>(17,673)</u>	<u>235</u>	<u>189,190</u>	<u>8,932</u>	<u>5,192</u>	<u>50,168</u>
Total Net Position - Ending	<u>\$ (20,786)</u>	<u>\$ 333</u>	<u>\$ 170,232</u>	<u>\$ 18,104</u>	<u>\$ 2,847</u>	<u>\$ 50,623</u>

Social Services Administrative Trust Fund	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals June 30, 2020
\$ —	\$ —	\$ —	\$ 9,832	\$ 19,400	\$ —	\$ 401,388	\$ 94,008	\$ 524,628
—	—	—	8,229	—	32,583	74,874	47,366	163,052
—	—	—	26	—	—	—	7,044	7,070
—	—	29	—	—	—	—	—	12,244
—	—	—	—	—	—	—	—	29,007
—	—	—	—	—	—	—	—	60,934
875	1,068	8,245	—	—	—	—	—	144,435
8	135	5	3,893	659	484	39,077	3,347	49,250
883	1,203	8,279	21,980	20,059	33,067	515,339	151,765	990,620
—	—	—	—	—	—	—	—	23,675
17	1,309	7,847	—	—	291	3,838	—	101,417
856	179	1,437	2,144	1,040	189	1,303	6,606	117,762
—	13	4	—	—	32,583	—	—	41,895
—	—	—	21,317	12,115	—	439,516	134,143	607,091
16	5	161	—	—	—	111	—	21,679
—	9	185	57	—	—	10,382	—	12,599
889	1,515	9,634	23,518	13,155	33,063	455,150	140,749	926,118
(6)	(312)	(1,355)	(1,538)	6,904	4	60,189	11,016	64,502
—	—	—	—	—	—	—	—	83
—	—	(1)	—	—	—	—	—	(1,199)
—	—	2	162	1,372	—	—	595	2,222
—	—	—	226	2,318	46	1,103	1,111	4,993
—	—	—	—	—	—	—	—	58
—	—	1	388	3,690	46	1,103	1,706	6,157
(6)	(312)	(1,354)	(1,150)	10,594	50	61,292	12,722	70,659
—	—	—	—	—	—	—	—	55
—	—	—	—	—	—	—	—	(3,569)
(6)	(312)	(1,354)	(1,150)	10,594	50	61,292	12,722	67,145
205	(3,021)	(8,594)	9,917	36,737	69	(8,624)	37,731	300,464
\$ 199	\$ (3,333)	\$ (9,948)	\$ 8,767	\$ 47,331	\$ 119	\$ 52,668	\$ 50,453	\$ 367,609

STATE OF MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration Revolving	Working Capital Revolving	General Government Revolving
Cash Flows from Operating Activities:						
Receipts from Internal Customers and Users	\$ 12,575	\$ 6,146	\$ 66,310	\$ 104,596	\$ 20,246	\$ 89
Receipts from External Customers and Users	—	—	11	5,604	8,819	10,682
Payments to Suppliers	(2,345)	(34)	(31,735)	(67,588)	(17,315)	(7,104)
Payments to Employees	(9,788)	—	(31,842)	(18,503)	(10,584)	(74)
Payments Made for Program Expense	(7)	(6,016)	(7)	—	(13)	(3,252)
Other Receipts	81	—	10	1,524	9	18
Other Payments	(95)	—	(71)	(250)	(1,519)	(31)
Net Cash Provided (Used) by Operating Activities	421	96	2,676	25,383	(357)	328
Cash Flows from Non-Capital Financing Activities:						
Due to Other Funds	1	—	(35)	1	—	29
Due from Other Funds	—	(68)	6	(2,926)	98	(4)
Due from Component Units	—	—	—	(1)	—	—
Contributions and Intergovernmental	—	—	60	—	—	—
Transfers to Other Funds	—	—	—	(2,048)	—	(1,512)
Transfers from Other Funds	—	—	24	22	—	—
Net Cash Provided (Used) by Non-Capital Financing Activities	1	(68)	55	(4,952)	98	(1,487)
Cash Flows from Capital and Related Financing Activities:						
Interest Expense	—	—	(755)	(440)	(3)	—
Purchases and Construction of Capital Assets	(273)	—	(50)	(6,057)	(688)	(8)
Capital Lease Downpayment/Obligations	(1)	—	(1,833)	(87)	(18)	—
Financed Purchase Downpayment/Obligations	(77)	—	(798)	(7,032)	—	—
Disposal of Capital Assets	—	—	—	164	—	—
Net Cash Provided (Used) by Capital and Related Financing Activities	(351)	—	(3,436)	(13,452)	(709)	(8)
Cash Flows from Investing Activities:						
Proceeds from Sales and Investment Maturities	147	20	1,328	744	3,591	1,200
Purchase of Investments	—	—	—	—	—	—
Interest and Dividends Received	—	—	—	187	—	—
Investment Fees	—	—	—	—	—	—
Net Cash Provided (Used) by Investing Activities	147	20	1,328	931	3,591	1,200
Net Increase (Decrease) in Cash	218	48	623	7,910	2,623	33
Cash and Cash Equivalents, Beginning of Year	326	60	1,971	7,090	5,762	1,383
Cash and Cash Equivalents, End of Year	\$ 544	\$ 108	\$ 2,594	\$ 15,000	\$ 8,385	\$ 1,416
Reconciliation of Operating Income (Loss) of Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ (2,980)	\$ 98	\$ (18,331)	\$ 11,235	\$ (2,383)	\$ 1,961
Depreciation/Amortization Expense	756	2	12,670	7,242	714	2
Changes in Assets and Liabilities:						
Accounts Receivable	—	—	—	347	37	(1,709)
Inventories	—	—	—	429	(1,121)	(2)
Deferred Outflows of Resources	1,025	—	2,833	1,269	684	44
Prepaid Items	—	—	—	—	—	—
Accounts Payable	(97)	(4)	474	1,826	9	48
Accrued Payroll	(12)	—	7	78	18	—
Unearned Revenue	—	—	—	—	—	—
Claims Liability	—	—	—	—	—	—
Compensated Absences	55	—	137	91	69	—
Net OPEB Liability	62	—	173	96	52	2
Net Pension Liability	1,700	—	4,970	2,902	1,632	(11)
Deferred Inflows of Resources	(88)	—	(257)	(132)	(68)	(7)
Net Cash Provided (Used) by Operating Activities	\$ 421	\$ 96	\$ 2,676	\$ 25,383	\$ (357)	\$ 328
Non-Cash Financing and Investing Activities:						
Capital Lease and Financed Purchase Issuance	\$ —	\$ —	\$ —	\$ 4,123	\$ —	\$ —
Capital Asset Donations	—	—	23	—	—	—
Increase (Decrease) in Fair Value of Investments	2	—	9	50	25	5
Net Non-Cash Financing and Investing Activities	\$ 2	\$ —	\$ 32	\$ 4,173	\$ 25	\$ 5

Social Services Administrative Trust	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals
								June 30, 2020
\$ 875	\$ 605	\$ 8,245	\$ 9,837	\$ 19,281	\$ —	\$ 406,353	\$ 94,008	\$ 749,166
—	463	29	8,168	273	32,410	74,874	54,615	195,948
(921)	(180)	(1,486)	(2,159)	(1,040)	(3,070)	(11,151)	(8,269)	(154,397)
(7)	(991)	(6,308)	—	—	(291)	(2,714)	—	(81,102)
—	(13)	(4)	(21,365)	(18,516)	(32,583)	(439,738)	(133,243)	(654,757)
8	135	5	3,893	659	484	39,077	3,347	49,250
—	(9)	(185)	(57)	—	—	(10,382)	—	(12,599)
(45)	10	296	(1,683)	657	(3,050)	56,319	10,458	91,509
—	4	12	—	—	1,435	24,144	—	25,591
35	—	—	—	—	—	—	—	(2,859)
—	—	—	—	—	—	—	—	(1)
—	—	—	—	—	—	—	—	60
—	—	—	—	—	—	—	—	(3,560)
—	—	—	—	—	—	—	—	46
35	4	12	—	—	1,435	24,144	—	19,277
—	—	(1)	—	—	—	—	—	(1,199)
—	(1)	(201)	—	—	—	(69)	—	(7,347)
—	—	(6)	—	—	—	—	—	(1,945)
—	—	(1)	—	—	—	—	—	(7,908)
—	—	—	—	—	—	—	—	164
—	(1)	(209)	—	—	—	(69)	—	(18,235)
13	31	94	618	115,270	1,949,917	—	45,308	2,118,281
—	—	—	—	(112,169)	(1,948,348)	—	(52,326)	(2,112,843)
—	—	—	232	2,446	46	1,103	1,146	5,160
—	—	—	—	(101)	—	—	(40)	(141)
13	31	94	850	5,446	1,615	1,103	(5,912)	10,457
3	44	193	(833)	6,103	—	81,497	4,546	103,008
17	67	253	1,964	4,330	(2)	53,849	16,440	93,510
\$ 20	\$ 111	\$ 446	\$ 1,131	\$ 10,433	\$ (2)	\$ 135,346	\$ 20,986	\$ 196,518
\$ (6)	\$ (312)	\$ (1,355)	\$ (1,538)	\$ 6,904	\$ 4	\$ 60,189	\$ 11,016	\$ 64,502
16	5	161	—	—	—	111	—	21,679
—	—	—	(87)	154	(45)	(71)	142	(1,232)
(18)	—	—	—	—	—	—	—	(712)
(1)	267	436	—	—	—	624	—	7,181
—	—	—	—	—	—	13	—	13
(47)	(1)	(49)	(15)	—	(2,881)	(9,861)	(1,663)	(12,261)
—	—	4	—	—	—	—	—	95
—	—	—	5	—	(128)	5,036	63	4,976
—	—	—	(48)	(6,401)	—	(222)	900	(5,771)
11	20	28	—	—	—	48	—	459
—	16	28	—	—	—	—	—	429
—	52	1,077	—	—	—	570	—	12,892
—	(37)	(34)	—	—	—	(118)	—	(741)
\$ (45)	\$ 10	\$ 296	\$ (1,683)	\$ 657	\$ (3,050)	\$ 56,319	\$ 10,458	\$ 91,509
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,123
—	—	—	—	—	—	—	—	23
—	—	2	162	1,372	—	—	595	2,222
\$ —	\$ —	\$ 2	\$ 162	\$ 1,372	\$ —	\$ —	\$ 595	\$ 6,368



*The **Fiduciary Funds** account for assets held by the State in a trustee or agent capacity.*

Pension (and Other Employee Benefit) Trust Funds:

Missouri State Employees' Retirement System:

Missouri State Employees' Plan - Accounts for retirement, survivor, and disability benefits paid to employees of the State who are not covered under another state-sponsored retirement plan.

Judicial Plan - Accounts for retirement, survivor, and disability benefits to judges in the State of Missouri.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System - Accounts for retirement, survivor, and disability benefits paid to Department of Transportation employees and members of the Missouri State Highway Patrol.

Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust - Accounts for health and welfare benefits paid for the exclusive benefit of current and future retired employees of the State who are not covered under another state-sponsored other post-employment benefit plan.

Missouri State Public Employees' Deferred Compensation Incentive (IRC 401a) Plan - Accounts for retirement benefits paid to employees of the State.

Missouri State Public Employees' Deferred Compensation (IRC 457) Plan - Accounts for deposits from State employees, which are invested for the benefit of the employees until properly authorized to distribute.

Private-Purpose Trust Funds:

Alternative Care Trust - Accounts for all moneys received and spent by the Division of Family Services on behalf of children in their custody.

Johnson-Travis Memorial Trust - Accounts for all moneys, stocks, and securities given to the State by Miss Pansy Johnson or for the benefit of the Pansy Johnson-Travis Memorial State Gardens. Moneys will be used solely to establish, develop, and maintain the gardens.

Unclaimed Property - Accounts for moneys unpaid or unclaimed within one year after final settlement of any executor or administrator, assignee, sheriff or receiver and all unclaimed deposits, dividends, and interest of banks unable to locate the owners.

Agency Funds:

Social Security Contributions - Accounts for the receipt of contributions from various state funds for the State's share of social security contributions, which are due to the Federal Social Security Administration.

Missouri State Employees' Voluntary Life Insurance - Accounts for moneys withheld from employees' compensation for the contracts entered into with life insurance companies.

Program - Accounts for the receipt of various taxes, refundable deposits, and other moneys to be held until the State has the right or obligation to distribute them to various entities or individuals.

Institution - Accounts for deposits to various institutional accounts and other receipts held by the State until there is proper authorization to disburse them directly to others.

STATE OF MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
June 30, 2020
(In Thousands of Dollars)

	Missouri State Employees' Retirement System		Missouri Department of Transportation and Highway Patrol Employees' Retirement System	Missouri Consolidated Health Care Plan State Retiree Trust	Missouri State Public Employees' Deferred Compensation		Totals June 30, 2020
	Missouri State Employees' Plan	Judicial Plan			401 (a) Plan	457 Plan	
ASSETS							
Cash and Cash Equivalents	\$ 1,573	\$ 3,331	\$ 617	\$ 1,949	\$ 620	\$ 758	\$ 8,848
Investments at Fair Value	11,234,322	228,869	2,352,667	122,023	643,576	1,655,598	16,237,055
Invested Securities Lending Collateral	—	—	108,568	—	—	—	108,568
Receivables:							
Accounts Receivable	175,181	4,878	13,317	22,845	82	210	216,513
Interest Receivable	206,475	4,206	5,696	—	—	—	216,377
Due From Other Funds	—	1,497	—	24,144	—	—	25,641
Prepaid Expenses	18	—	—	—	141	432	591
Capital Assets:							
Software in Progress	4,878	—	—	—	—	—	4,878
Land	267	—	84	—	—	—	351
Buildings	3,985	—	582	—	—	—	4,567
Equipment	1,444	—	142	—	—	—	1,586
Software	744	—	3,288	—	—	—	4,032
Accumulated Depreciation/Amortization	(3,787)	—	(3,775)	—	—	—	(7,562)
Total Capital Assets, Net	7,531	—	321	—	—	—	7,852
Total Assets	11,625,100	242,781	2,481,186	170,961	644,419	1,656,998	16,821,445
DEFERRED OUTFLOWS OF RESOURCES	898	1	31	—	3	10	943
LIABILITIES							
Accounts Payable	339,943	6,906	2,868	268	49	125	350,159
Obligations under Repurchase Agreements	3,366,328	68,580	—	—	—	—	3,434,908
Due to Other Funds	—	—	—	—	17	45	62
Securities Lending Obligation	—	—	114,948	—	—	—	114,948
Unearned Revenue	—	—	—	5,835	—	—	5,835
Claims Liability	—	—	—	4,966	—	—	4,966
Compensated Absences	737	7	—	—	—	—	744
Net OPEB Liability	7,695	—	1,552	—	1	2	9,250
Total Liabilities	3,714,703	75,493	119,368	11,069	67	172	3,920,872
DEFERRED INFLOWS OF RESOURCES	464	1	249	—	2	6	722
Net Position Restricted for Pension Benefits, OPEB, and Deferred Compensation	\$ 7,910,831	\$ 167,288	\$ 2,361,600	\$ 159,892	\$ 644,353	\$ 1,656,830	\$ 12,900,794

STATE OF MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Missouri State Employees' Retirement System		Missouri Department of Transportation and Highway Patrol Employees' Retirement System	Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust	Missouri State Public Employees' Deferred Compensation		Totals June 30, 2020
	Missouri State Employees' Plan	Judicial Plan			401 (a) Plan	457 Plan	
Additions:							
Contributions:							
Employer	\$ 436,896	\$ 39,174	\$ 210,872	\$ 72,339	\$ 25	\$ —	\$ 759,306
Plan Member	36,530	1,315	4,984	43,318	—	63,098	149,245
Other	2,665	—	5,047	48,172	22,069	34,164	112,117
Total Contributions	<u>476,091</u>	<u>40,489</u>	<u>220,903</u>	<u>163,829</u>	<u>22,094</u>	<u>97,262</u>	<u>1,020,668</u>
Investment Earnings:							
Increase (Decrease) in Appreciation of Assets	(312,028)	(6,357)	(51,158)	—	3,083	15,195	(351,265)
Interest and Dividends	187,929	3,829	61,990	2,755	13,905	32,866	303,274
Securities Lending Income	—	—	734	—	—	—	734
Other Income	574,908	11,712	—	—	—	—	586,620
Total Investment Earnings	<u>450,809</u>	<u>9,184</u>	<u>11,566</u>	<u>2,755</u>	<u>16,988</u>	<u>48,061</u>	<u>539,363</u>
Less Investment Expenses:							
Investment Activity Expense	(50,454)	(1,021)	(21,699)	—	—	—	(73,174)
Securities Lending Expense	—	—	(540)	—	—	—	(540)
Total Investment Expense	<u>(50,454)</u>	<u>(1,021)</u>	<u>(22,239)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(73,714)</u>
Net Investment Earnings (Loss)	<u>400,355</u>	<u>8,163</u>	<u>(10,673)</u>	<u>2,755</u>	<u>16,988</u>	<u>48,061</u>	<u>465,649</u>
Cost Reimbursement/Miscellaneous	134	—	5	—	928	2,390	3,457
Total Additions	<u>876,580</u>	<u>48,652</u>	<u>210,235</u>	<u>166,584</u>	<u>40,010</u>	<u>147,713</u>	<u>1,489,774</u>
Deductions:							
Benefits	864,562	39,622	267,606	143,346	44,719	—	1,359,855
Administrative Expenses	8,398	75	4,044	2,896	845	3,043	19,301
Program Distributions	5,225	—	—	—	—	78,005	83,230
Inactive-vested Buyout Payments	245	—	—	—	—	—	245
Service Transfer Payments	3,784	—	—	—	—	—	3,784
Depreciation/Amortization	—	—	247	—	—	—	247
Total Deductions	<u>882,214</u>	<u>39,697</u>	<u>271,897</u>	<u>146,242</u>	<u>45,564</u>	<u>81,048</u>	<u>1,466,662</u>
Change in Net Position	<u>(5,634)</u>	<u>8,955</u>	<u>(61,662)</u>	<u>20,342</u>	<u>(5,554)</u>	<u>66,665</u>	<u>23,112</u>
Net Position - Beginning of Year	<u>7,916,465</u>	<u>158,333</u>	<u>2,423,262</u>	<u>139,550</u>	<u>649,907</u>	<u>1,590,165</u>	<u>12,877,682</u>
Net Position - End of Year	<u>\$ 7,910,831</u>	<u>\$ 167,288</u>	<u>\$ 2,361,600</u>	<u>\$ 159,892</u>	<u>\$ 644,353</u>	<u>\$ 1,656,830</u>	<u>\$12,900,794</u>

STATE OF MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
June 30, 2020
(In Thousands of Dollars)

	Alternative Care Trust	Johnson- Travis Memorial Trust	Unclaimed Property	Totals June 30, 2020
ASSETS				
Cash and Cash Equivalents	\$ 1,060	\$ 521	\$ 15,688	\$ 17,269
Investments at Fair Value	2,861	469	10,629	13,959
Assets Held in Escheat	—	—	20,145	20,145
Account Receivables	59	—	—	59
Interest Receivable	10	2	—	12
Inventories	—	—	1	1
Capital Assets:				
Equipment	—	—	93	93
Software	—	—	100	100
Less: Accumulated Depreciation/Amortization	—	—	(173)	(173)
Total Capital Assets, Net	—	—	20	20
Total Assets	3,990	992	46,483	51,465
DEFERRED OUTFLOWS OF RESOURCES				
	—	—	392	392
LIABILITIES				
Accounts Payable	1,031	—	18	1,049
Accrued Payroll	—	—	23	23
Compensated Absences	—	—	49	49
Net OPEB Liability	—	—	551	551
Net Pension Liability	—	—	1,548	1,548
Total Liabilities	1,031	—	2,189	3,220
DEFERRED INFLOWS OF RESOURCES				
	—	—	56	56
NET POSITION				
Net Position Restricted for Other Purposes	\$ 2,959	\$ 992	\$ 44,630	\$ 48,581

STATE OF MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Alternative Care Trust	Johnson- Travis Memorial Trust	Unclaimed Property	Totals June 30, 2020
Additions:				
Increase (Decrease) in Appreciation of Assets	\$ 15	\$ 11	\$ 600	\$ 626
Interest	59	16	417	492
Total Investment Earnings	74	27	1,017	1,118
Unclaimed Property	—	—	39,693	39,693
Cost Reimbursement/Miscellaneous	12,625	—	13	12,638
Total Additions	12,699	27	40,723	53,449
Deductions:				
Administrative Expenses	—	—	2,486	2,486
Program Distributions	12,023	—	38,218	50,241
Depreciation/Amortization	—	—	12	12
Total Deductions	12,023	—	40,716	52,739
Change in Net Position	676	27	7	710
Net Position - Beginning	2,283	965	44,623	47,871
Net Position - Ending	\$ 2,959	\$ 992	\$ 44,630	\$ 48,581

**STATE OF MISSOURI
COMBINING BALANCE SHEET
AGENCY FUNDS
June 30, 2020
(In Thousands of Dollars)**

	Social Security Contributions	Missouri State Employees' Voluntary Life Insurance	Program	Institution	Totals June 30, 2020
ASSETS					
Cash and Cash					
Equivalents	\$ 71	\$ 83	\$ 50,217	\$ 20,086	\$ 70,457
Investments at					
Fair Value	49	57	597,892	14	598,012
Receivables:					
Accounts Receivable	6,515	—	525,137	—	531,652
Interest Receivable	—	—	561	—	561
Total Assets	<u>\$ 6,635</u>	<u>\$ 140</u>	<u>\$ 1,173,807</u>	<u>\$ 20,100</u>	<u>\$ 1,200,682</u>
LIABILITIES					
Accounts Payable	\$ —	\$ —	\$ 32	\$ —	\$ 32
Due to Other Entities	6,635	140	1,166,207	—	1,172,982
Due to Individuals	—	—	7,568	20,100	27,668
Total Liabilities	<u>\$ 6,635</u>	<u>\$ 140</u>	<u>\$ 1,173,807</u>	<u>\$ 20,100</u>	<u>\$ 1,200,682</u>

STATE OF MISSOURI
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
<u>SOCIAL SECURITY CONTRIBUTIONS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 37	\$ 174,689	\$ 174,655	\$ 71
Investments at Fair Value	60	49	60	49
Accounts Receivable	6,388	6,515	6,388	6,515
Total Assets	<u>\$ 6,485</u>	<u>\$ 181,253</u>	<u>\$ 181,103</u>	<u>\$ 6,635</u>
LIABILITIES				
Due to Other Entities	<u>\$ 6,485</u>	<u>\$ 514,953</u>	<u>\$ 514,803</u>	<u>\$ 6,635</u>
<u>MISSOURI STATE EMPLOYEES'</u>				
<u>VOLUNTARY LIFE INSURANCE</u>				
ASSETS				
Cash and Cash Equivalents	\$ 56	\$ 3,553	\$ 3,526	\$ 83
Investments at Fair Value	88	57	88	57
Total Assets	<u>\$ 144</u>	<u>\$ 3,610</u>	<u>\$ 3,614</u>	<u>\$ 140</u>
LIABILITIES				
Due to Other Entities	<u>\$ 144</u>	<u>\$ 3,609</u>	<u>\$ 3,613</u>	<u>\$ 140</u>
<u>PROGRAM</u>				
ASSETS				
Cash and Cash Equivalents	\$ 58,181	\$ 7,959,812	\$ 7,967,776	\$ 50,217
Investments at Fair Value	607,405	538,708	548,221	597,892
Receivables:				
Accounts Receivable	545,476	51,151	71,490	525,137
Interest Receivable	1,311	6,142	6,892	561
Total Assets	<u>\$ 1,212,373</u>	<u>\$ 8,555,813</u>	<u>\$ 8,594,379</u>	<u>\$ 1,173,807</u>
LIABILITIES				
Accounts Payable	\$ 34	\$ 404	\$ 406	\$ 32
Due to Other Entities	1,200,530	8,493,291	8,527,614	1,166,207
Due to Individuals	11,809	27,007	31,248	7,568
Total Liabilities	<u>\$ 1,212,373</u>	<u>\$ 8,520,702</u>	<u>\$ 8,559,268</u>	<u>\$ 1,173,807</u>
<u>INSTITUTION</u>				
ASSETS				
Cash and Cash Equivalents	\$ 14,368	\$ 111,991	\$ 106,273	\$ 20,086
Investments at Fair Value	16	—	2	14
Total Assets	<u>\$ 14,384</u>	<u>\$ 111,991</u>	<u>\$ 106,275</u>	<u>\$ 20,100</u>
LIABILITIES				
Due to Individuals	<u>\$ 14,384</u>	<u>\$ 111,991</u>	<u>\$ 106,275</u>	<u>\$ 20,100</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 72,642	\$ 8,250,045	\$ 8,252,230	\$ 70,457
Investments at Fair Value	607,569	538,814	548,371	598,012
Receivables:				
Accounts Receivable	551,864	57,666	77,878	531,652
Interest Receivable	1,311	6,142	6,892	561
Total Assets	<u>\$ 1,233,386</u>	<u>\$ 8,852,667</u>	<u>\$ 8,885,371</u>	<u>\$ 1,200,682</u>
LIABILITIES				
Accounts Payable	\$ 34	\$ 404	\$ 406	\$ 32
Due to Other Entities	1,207,159	9,011,853	9,046,030	1,172,982
Due to Individuals	26,193	138,998	137,523	27,668
Total Liabilities	<u>\$ 1,233,386</u>	<u>\$ 9,151,255</u>	<u>\$ 9,183,959</u>	<u>\$ 1,200,682</u>



*The **Component Units** account for all transactions relating to legally separate entities which, for reporting purposes, are a part of the State.*

Non-Major Component Units:

Missouri Development Finance Board - Accounts for moneys from bond proceeds, gifts, and grants to make loans for industrial development.

Missouri Agricultural and Small Business Development Authority - Accounts for moneys from bond proceeds, gifts, and grants to make loans for property acquisitions/renovations and pollution control facilities.

Missouri Transportation Finance Corporation - Accounts for moneys from federal, state or local sources, and from bond proceeds to be used for projects approved by the Missouri Highways and Transportation Commission.

Missouri Wine and Grape Board - Accounts for moneys derived from the privilege of selling wine to be used for marketing development in developing programs for growing, selling, and marketing of grape products grown in Missouri.

State Environmental Improvement Energy Resources Authority - Accounts for moneys derived from the issuance of revenue bonds and notes to finance, acquire, construct and equip projects for the purpose of reducing, preventing or controlling pollution and to provide for the development of energy resources of the State of Missouri.

STATE OF MISSOURI
COMBINING STATEMENT OF NET POSITION
NON-MAJOR COMPONENT UNITS
June 30, 2020
(In Thousands of Dollars)

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals June 30, 2020
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 30,932	\$ 4,171	\$ 19,160	\$ 199	\$ 723	\$ 55,185
Investments	1,001	150	16,466	136	2,061	19,814
Accounts Receivable, Net	8	25	—	—	150	183
Interest Receivable	169	—	477	1	2	649
Inventories	—	—	—	1	—	1
Restricted Assets:						
Cash and Cash Equivalents	—	182	—	—	—	182
Investments	—	9,086	—	—	—	9,086
Interest Receivable	—	3	—	—	—	3
Loan Receivable	—	—	4,515	—	—	4,515
Prepaid Items	588	—	—	—	5	593
Loans Receivable	280	—	—	—	356	636
Total Current Assets	<u>32,978</u>	<u>13,617</u>	<u>40,618</u>	<u>337</u>	<u>3,297</u>	<u>90,847</u>
Non-Current Assets:						
Investments	—	—	52,586	—	—	52,586
Loans Receivable	24,934	173	—	—	—	25,107
Restricted Assets:						
Cash and Cash Equivalents	8,289	—	—	—	—	8,289
Investments	3,666	—	—	—	—	3,666
Loans Receivables	—	—	21,305	—	—	21,305
Capital Assets:						
Construction in Progress	214	—	—	—	—	214
Land	7,220	—	—	—	—	7,220
Buildings	79,718	—	—	—	4	79,722
Equipment	1,148	56	—	41	120	1,365
Software & Misc Intangible Assets	24	—	—	3	—	27
Less Accumulated Depreciation/ Amortization	(25,667)	(20)	—	(40)	(123)	(25,850)
Total Non-Current Assets	<u>99,546</u>	<u>209</u>	<u>73,891</u>	<u>4</u>	<u>1</u>	<u>173,651</u>
Total Assets	<u>132,524</u>	<u>13,826</u>	<u>114,509</u>	<u>341</u>	<u>3,298</u>	<u>264,498</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>335</u>	<u>152</u>	<u>—</u>	<u>225</u>	<u>124</u>	<u>836</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	214	5	2	9	52	282
Accrued Payroll	—	—	—	13	—	13
Interest Payable	13	—	—	—	—	13
Due to Primary Government	—	10	—	1	—	11
Compensated Absences	26	17	—	23	24	90
Bonds and Notes Payable	552	—	—	—	—	552
Total Current Liabilities	<u>805</u>	<u>32</u>	<u>2</u>	<u>46</u>	<u>76</u>	<u>961</u>
Non-Current Liabilities:						
Advance from Primary Government	—	108	—	—	—	108
Unearned Revenue	704	—	—	—	—	704
Deposits and Reserves	7,067	—	—	—	—	7,067
Compensated Absences	63	—	—	12	—	75
Bonds and Notes Payable	13,020	—	—	—	—	13,020
Net OPEB Liability	—	200	—	306	240	746
Net Pension Liability	1,587	572	—	833	453	3,445
Total Non-Current Liabilities	<u>22,441</u>	<u>880</u>	<u>—</u>	<u>1,151</u>	<u>693</u>	<u>25,165</u>
Total Liabilities	<u>23,246</u>	<u>912</u>	<u>2</u>	<u>1,197</u>	<u>769</u>	<u>26,126</u>
DEFERRED INFLOWS OF RESOURCES	<u>18</u>	<u>46</u>	<u>—</u>	<u>52</u>	<u>460</u>	<u>576</u>
NET POSITION						
Net Investment in Capital Assets	49,085	—	—	4	1	49,090
Restricted for:						
Other Purposes	11,491	11,193	82,656	—	1,023	106,363
Unrestricted	49,019	1,827	31,851	(687)	1,169	83,179
Total Net Position	<u>\$ 109,595</u>	<u>\$ 13,020</u>	<u>\$ 114,507</u>	<u>\$ (683)</u>	<u>\$ 2,193</u>	<u>\$ 238,632</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-MAJOR COMPONENT UNITS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals June 30, 2020
Operating Revenues:						
Licenses, Fees, and Permits	\$ 1,703	\$ 360	\$ 102	\$ 6	\$ 249	\$ 2,420
Interest on Receivables	1,004	—	644	—	—	1,648
Leases and Rentals	5,395	—	—	—	—	5,395
Cost Reimbursement/Miscellaneous	14	194	—	1	16	225
Total Operating Revenues	<u>8,116</u>	<u>554</u>	<u>746</u>	<u>7</u>	<u>265</u>	<u>9,688</u>
Operating Expenses:						
Personal Service	1,134	349	24	633	300	2,440
Operations	2,118	54	12	1,506	232	3,922
Specific Programs	—	2,299	—	—	761	3,060
Depreciation/Amortization	2,251	9	—	6	1	2,267
Other Charges	45	39	—	30	—	114
Total Operating Expenses	<u>5,548</u>	<u>2,750</u>	<u>36</u>	<u>2,175</u>	<u>1,294</u>	<u>11,803</u>
Operating Income (Loss)	<u>2,568</u>	<u>(2,196)</u>	<u>710</u>	<u>(2,168)</u>	<u>(1,029)</u>	<u>(2,115)</u>
Non-Operating Revenues (Expenses):						
Contributions and Intergovernmental	—	—	—	1,744	886	2,630
Investment Earnings:						
Increase (Decrease) in Fair Value of						
Investments	(387)	228	402	—	47	290
Interest	475	11	1,809	9	—	2,304
Interest Expense	(469)	(4)	—	—	—	(473)
Contributions to Others	(14)	—	—	—	—	(14)
Miscellaneous Revenues (Expenses)	—	—	(71)	—	—	(71)
Total Non-Operating Revenues	<u>(395)</u>	<u>235</u>	<u>2,140</u>	<u>1,753</u>	<u>933</u>	<u>4,666</u>
(Expenses)						
Change in Net Position	<u>2,173</u>	<u>(1,961)</u>	<u>2,850</u>	<u>(415)</u>	<u>(96)</u>	<u>2,551</u>
Total Net Position - Beginning	107,422	14,981	111,657	(268)	2,289	236,081
Total Net Position - Ending	<u>\$ 109,595</u>	<u>\$ 13,020</u>	<u>\$ 114,507</u>	<u>\$ (683)</u>	<u>\$ 2,193</u>	<u>\$ 238,632</u>

STATE OF MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR COMPONENT UNITS
For the Fiscal Year Ended June 30, 2020
(In Thousands of Dollars)

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals June 30, 2020
Cash Flows from Operating Activities:						
Receipts from Customers and Users	\$ 7,622	\$ 335	\$ 791	\$ 6	\$ 182	\$ 8,936
Loans to Outside Entities	—	66	(2,961)	—	36	(2,859)
Payments to Vendors and Suppliers	(1,748)	(51)	(13)	(1,501)	(184)	(3,497)
Payments for Employees	(914)	(299)	(24)	(496)	(388)	(2,121)
Payments Made for Program Expense	—	(2,299)	—	—	(761)	(3,060)
Net Payments/Receipts for Tax Credit Projects	(383)	—	—	—	—	(383)
Other Receipts	—	194	—	1	16	211
Other Payments	—	(39)	—	(30)	—	(69)
Net Cash Provided (Used) by Operating Activities	4,577	(2,093)	(2,207)	(2,020)	(1,099)	(2,842)
Cash Flows from Non-Capital Financing Activities:						
Due to/from Primary Government	—	(247)	—	1	—	(246)
Advance to/from Primary Government	—	(10)	—	—	—	(10)
Contributions and Intergovernmental	(14)	—	—	1,744	886	2,616
Net Cash Provided (Used) by Non-Capital Financing Activities	(14)	(257)	—	1,745	886	2,360
Cash Flows from Capital and Related Financing Activities:						
Interest Expense	(873)	(6)	—	—	—	(879)
Purchases and Construction of Capital Assets	(422)	—	—	(1)	—	(423)
Principal Payments on Capital Debt	(232)	—	—	—	—	(232)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,527)	(6)	—	(1)	—	(1,534)
Cash Flows from Investing Activities:						
Proceeds from Investment Maturities	38,170	—	110,118	230	148	148,666
Purchase of Investments	(17,644)	2,359	(102,409)	—	—	(117,694)
Interest	479	24	1,809	11	—	2,323
Investment Fees	—	—	(71)	—	—	(71)
Net Cash Provided (Used) by Investing Activities	21,005	2,383	9,447	241	148	33,224
Net Increase (Decrease) in Cash	24,041	27	7,240	(35)	(65)	31,208
Cash and Cash Equivalents, Beginning of Year	15,180	4,326	11,920	234	788	32,448
Cash and Cash Equivalents, End of Year	\$ 39,221	\$ 4,353	\$ 19,160	\$ 199	\$ 723	\$ 63,656
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ 2,568	\$ (2,196)	\$ 710	\$ (2,168)	\$ (1,029)	\$ (2,115)
Depreciation/Amortization Expense	2,251	9	—	6	1	2,267
Changes in Assets and Liabilities:						
Accounts Receivable	167	(25)	—	—	(78)	64
Interest Receivable	9	—	45	—	11	65
Deferred Outflows of Resources	92	(7)	—	97	133	315
Prepaid Items	278	—	—	—	—	278
Loans Receivable	—	66	(2,961)	—	36	(2,859)
Accounts Payable	40	3	(1)	5	48	95
Accrued Payroll	—	—	—	1	—	1
Deposit and Reserve	(924)	—	—	—	—	(924)
Compensated Absences	6	3	—	4	2	15
Unearned Revenue	(39)	—	—	—	—	(39)
Net Pension Liability	152	90	—	42	(440)	(156)
Net OPEB Liability	—	21	—	(8)	(92)	(79)
Deferred Inflows of Resources	(23)	(57)	—	1	309	230
Net Cash Provided (Used) by Operating Activities	4,577	(2,093)	(2,207)	(2,020)	(1,099)	(2,842)
Non-Cash Investing Activities:						
Increase (Decrease) in Fair Value of Investments	\$ (387)	\$ 228	\$ 402	\$ —	\$ 47	\$ 290
Net Non-Cash Investing Activities	\$ (387)	\$ 228	\$ 402	\$ —	\$ 47	\$ 290



*The **Statistical Section** presentations include Financial Trends, Revenue Capacity, Debt Capacity, Demographic and Economic Information, and Operating Information trends. The statistical data presented is intended to provide report users with a broader understanding of the environment in which the State operates.*

**STATE OF MISSOURI
STATISTICAL SECTION
June 30, 2020**

Index and Overview

This part of the State's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the State's financial performance and fiscal health have changed over time.

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Fund Balances - Governmental Funds	222
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Revenue Capacity

These schedules contain information to help the reader understand the State's capacity to raise revenues and the sources of those revenues.

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Personal Income Tax Revenue	227
Personal Income Tax Rates	228
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Debt Capacity

These schedules present information to help the reader understand and assess the State's levels of outstanding debt and the State's ability to issue additional debt in the future.

Ratios of Outstanding Debt	231
Pledged Revenue Coverage	233

Demographic and Economic Information

These schedules contain demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.

Demographic Indicators	234
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Operating Information

These schedules contain operating data to help the reader understand how the information in the State's financial report relates to the services it provides and the activities it performs.

State Employees by Function	237
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Sources: Unless otherwise noted, the information in these schedules is derived from the State of Missouri Comprehensive Annual Financial Report for the years shown.

**STATE OF MISSOURI
NET POSITION BY COMPONENT
FISCAL YEARS 2011-2020
(In Thousands of Dollars)**

	2020	2019*	2018	2017	2016
Governmental Activities					
Net Investment in Capital Assets	\$ 31,415,439	\$ 30,848,265	\$ 30,364,850	\$ 29,793,477	\$ 29,255,865
Restricted	4,806,055	4,390,964	4,239,726	4,103,890	4,348,001
Unrestricted	(7,860,324)	(8,259,974)	(7,976,452)	(7,606,967)	(5,465,559)
Total Governmental Activities Net Position	\$ 28,361,170	\$ 26,979,255	\$ 26,628,124	\$ 26,290,400	\$ 28,138,307
Business-Type Activities					
Net Investment in Capital Assets	\$ 123,060	\$ 124,985	\$ 126,899	\$ 115,327	\$ 98,320
Restricted	25,223	6,798	5,616	7,239	6,104
Unrestricted	559,859	956,556	858,356	762,633	677,470
Total Business-Type Activities Net Position	\$ 708,142	\$ 1,088,339	\$ 990,871	\$ 885,199	\$ 781,894
Primary Government					
Net Investment in Capital Assets	\$ 31,538,499	\$ 30,973,250	\$ 30,491,749	\$ 29,908,804	\$ 29,354,185
Restricted	4,831,278	4,397,762	4,245,342	4,111,129	4,354,105
Unrestricted	(7,300,465)	(7,303,418)	(7,118,096)	(6,844,334)	(4,788,089)
Total Primary Government Net Position	\$ 29,069,312	\$ 28,067,594	\$ 27,618,995	\$ 27,175,599	\$ 28,920,201

Continues Below

	2015	2014	2013	2012	2011
Governmental Activities					
Net Investment in Capital Assets	\$ 28,791,258	\$ 28,485,327	\$ 28,166,290	\$ 27,873,493	\$ 26,595,552
Restricted	3,269,480	3,790,165	3,788,299	3,898,340	4,339,603
Unrestricted	(4,292,710)	(5,501,188)	(1,216,048)	(1,865,908)	(1,159,743)
Total Governmental Activities Net Position	\$ 27,768,028	\$ 26,774,304	\$ 30,738,541	\$ 29,905,925	\$ 29,775,412
Business-Type Activities					
Net Investment in Capital Assets	\$ 55,669	\$ 52,901	\$ 52,217	\$ 50,081	\$ 50,291
Restricted	4,588	4,889	5,630	9,675	6,303
Unrestricted	420,995	183,705	(117,891)	(344,734)	(485,576)
Total Business-Type Activities Net Position	\$ 481,252	\$ 241,495	\$ (60,044)	\$ (284,978)	\$ (428,982)
Primary Government					
Net Investment in Capital Assets	\$ 28,846,927	\$ 28,538,228	\$ 28,218,507	\$ 27,923,574	\$ 26,645,843
Restricted	3,274,068	3,795,054	3,793,929	3,908,015	4,345,906
Unrestricted	(3,871,715)	(5,317,483)	(1,333,939)	(2,210,642)	(1,645,319)
Total Primary Government Net Position	\$ 28,249,280	\$ 27,015,799	\$ 30,678,497	\$ 29,620,947	\$ 29,346,430

*Fiscal year 2019 amounts have been restated.

**STATE
OF MISSOURI
CHANGES IN NET POSITION
FISCAL YEARS 2011-2020
(In Thousands of Dollars)**

	2020	2019*	2018	2017
Governmental Activities:				
Expenses				
General Government	\$ 1,315,325	\$ 1,276,223	\$ 1,265,947	\$ 1,176,204
Education	7,060,695	7,142,183	7,053,444	7,086,927
Natural and Economic Resources	938,378	1,055,997	1,079,318	1,074,411
Transportation and Law Enforcement	2,154,108	1,984,162	1,974,321	2,157,349
Human Services	15,289,311	14,445,872	14,339,926	13,682,277
Interest on Debt (Excluding Direct Expense)	98,134	109,740	120,206	128,108
Total Expenses	<u>26,855,951</u>	<u>26,014,177</u>	<u>25,833,162</u>	<u>25,305,276</u>
Program Revenues				
Charges for Services:				
General Government	579,132	601,303	588,246	671,875
Transportation and Law Enforcement	242,188	215,095	227,643	228,039
Human Services	664,755	554,370	559,544	498,348
Other Activities	359,703	351,597	325,333	343,363
Operating Grants and Contributions	12,303,468	10,757,841	10,811,591	10,403,733
Capital Grants and Contributions	887,705	949,652	1,020,653	923,748
Total Program Revenues	<u>15,036,951</u>	<u>13,429,858</u>	<u>13,533,010</u>	<u>13,069,106</u>
Total Governmental Activities Net Program (Expense) Revenue	<u>(11,819,000)</u>	<u>(12,584,319)</u>	<u>(12,300,152)</u>	<u>(12,236,170)</u>
General Revenues and Other Changes in Net Position				
Taxes:				
Sales and Use	3,745,749	3,393,577	3,235,110	3,267,442
Individual Income	6,878,180	6,966,221	6,796,359	6,648,918
Corporate Income	457,986	477,918	403,771	392,438
County Foreign Insurance	290,361	267,142	272,497	254,685
Alcoholic Beverage	38,820	34,525	32,602	32,764
Corporate Franchise	—	1,470	1,968	2,490
Fuel	711,707	671,218	640,767	667,639
Miscellaneous Taxes	622,721	686,510	684,578	680,885
Grants and Contributions not Restricted to Specific Programs	51,413	58,534	59,233	62,173
Unrestricted Investment Earnings	90,228	79,604	26,308	12,626
Special Items	—	—	—	—
Extraordinary Items	—	—	—	—
Transfers	313,750	304,529	331,631	289,683
Total General Revenues and Other Changes in Net Position	<u>13,200,915</u>	<u>12,941,248</u>	<u>12,484,824</u>	<u>12,311,743</u>
Total Governmental Activities Change in Net Position	<u>\$ 1,381,915</u>	<u>\$ 356,929</u>	<u>\$ 184,672</u>	<u>\$ 75,573</u>
Business-Type Activities:				
Expenses				
State Lottery	\$ 1,207,178	\$ 1,168,012	\$ 1,086,927	\$ 1,070,595
Unemployment Compensation	3,155,342	264,370	294,271	318,782
Missouri Veterans' Homes	125,099	125,245	123,095	115,078
State Fair Fees	5,404	4,528	4,880	4,726
State Parks and DNR	14,372	13,257	9,829	14,025
Historic Preservation	425	531	725	1,248
Petroleum Storage Tank Insurance	20,861	20,345	21,298	19,392
Surplus Property	1,856	2,589	2,416	2,523
Revenue Information	8	9	12	12
Inmate Canteen	30,328	28,498	46,474	—
Total Expenses	<u>4,560,873</u>	<u>1,627,384</u>	<u>1,589,927</u>	<u>1,546,381</u>
Program Revenues				
Charges for Services:				
State Lottery	1,526,247	1,484,529	1,418,409	1,361,996
Other Activities	83,930	86,689	104,320	61,228
Operating Grants and Contributions	2,854,555	431,609	466,750	553,591
Total Program Revenues	<u>4,464,732</u>	<u>2,002,827</u>	<u>1,989,479</u>	<u>1,976,815</u>
Total Business-Type Activities Net Program (Expense) Revenue	<u>(96,141)</u>	<u>375,443</u>	<u>399,552</u>	<u>430,434</u>
General Revenues and Other Changes in Net Position				
Unrestricted Investment Earnings	29,694	26,449	18,338	13,156
Adjustments to Claims Reserve	—	—	—	—
Special Items	—	—	—	—
Extraordinary Items	—	—	—	(153)
Capital Contributions	—	173	11,463	920
Transfers	(313,750)	(304,529)	(331,631)	(289,683)
Total General Revenues and Other Changes in Net Position	<u>(284,056)</u>	<u>(277,907)</u>	<u>(301,830)</u>	<u>(275,760)</u>
Total Business-Type Activities Change in Net Position	<u>\$ (380,197)</u>	<u>\$ 97,536</u>	<u>\$ 97,722</u>	<u>\$ 154,674</u>
Total Primary Government Change in Net Position	<u>\$ 1,001,718</u>	<u>\$ 454,465</u>	<u>\$ 282,394</u>	<u>\$ 230,247</u>

*Fiscal year 2019 amounts have been restated

2016	2015	2014	2013	2012	2011
\$ 1,081,421	\$ 1,064,771	\$ 1,030,327	\$ 1,063,418	\$ 1,029,012	\$ 1,089,731
6,902,930	6,680,646	6,430,861	6,368,472	6,373,757	6,536,907
1,039,408	910,502	874,033	933,019	1,053,949	935,078
1,913,379	1,861,116	1,823,578	1,924,306	2,021,423	2,529,791
13,086,606	12,800,735	12,623,617	12,335,625	12,299,493	11,713,021
138,426	139,112	157,707	161,386	207,906	199,948
<u>24,162,170</u>	<u>23,456,882</u>	<u>22,940,123</u>	<u>22,786,226</u>	<u>22,985,540</u>	<u>23,004,476</u>
579,457	581,008	540,427	698,300	883,228	705,914
230,685	228,093	232,176	250,898	239,684	267,875
475,055	503,290	504,443	554,365	459,517	550,690
327,275	327,169	333,898	351,193	285,725	314,375
10,178,230	9,960,965	9,649,655	9,702,624	9,889,453	9,802,842
917,255	838,354	933,814	1,039,043	1,096,052	1,814,207
<u>12,707,957</u>	<u>12,438,879</u>	<u>12,194,413</u>	<u>12,596,423</u>	<u>12,853,659</u>	<u>13,455,903</u>
<u>(11,454,213)</u>	<u>(11,018,003)</u>	<u>(10,745,710)</u>	<u>(10,189,803)</u>	<u>(10,131,881)</u>	<u>(9,548,573)</u>
3,112,912	3,142,387	2,925,867	2,883,852	2,705,002	2,570,243
6,324,548	6,418,379	5,718,801	5,833,306	5,116,876	4,878,166
411,139	490,131	427,320	429,797	378,444	394,389
218,083	222,828	180,779	175,212	167,969	182,679
30,913	32,101	30,370	30,294	28,652	27,247
17,197	29,982	54,670	51,444	61,389	70,743
640,934	656,893	629,105	648,989	620,074	1,833
663,797	668,955	605,247	630,228	623,414	1,210,758
58,971	76,276	73,637	120,380	244,859	889,742
26,468	24,721	35,040	(15,858)	21,525	23,281
—	—	—	—	(120)	—
—	—	(132)	—	—	—
304,320	275,997	291,421	290,900	300,608	255,908
<u>11,809,282</u>	<u>12,038,650</u>	<u>10,972,125</u>	<u>11,078,544</u>	<u>10,268,692</u>	<u>10,504,989</u>
<u>\$ 355,069</u>	<u>\$ 1,020,647</u>	<u>\$ 226,415</u>	<u>\$ 888,741</u>	<u>\$ 136,811</u>	<u>\$ 956,416</u>
\$ 1,025,086	\$ 873,502	\$ 894,137	\$ 876,290	\$ 835,526	\$ 755,410
312,295	391,508	568,787	858,697	1,280,157	1,714,276
100,771	92,501	97,674	97,012	76,598	76,033
4,369	4,390	4,419	3,968	3,963	3,700
8,395	8,264	9,417	9,179	10,659	12,278
577	741	334	388	340	509
16,205	14,705	13,244	18,101	22,171	13,940
2,590	3,169	2,528	3,017	3,065	2,293
14	13	—	32	72	1,199
—	—	—	—	—	—
<u>1,470,302</u>	<u>1,388,793</u>	<u>1,590,540</u>	<u>1,866,684</u>	<u>2,232,551</u>	<u>2,579,638</u>
1,327,852	1,144,604	1,171,580	1,156,235	1,109,108	1,011,055
56,005	59,199	57,836	57,009	56,538	55,153
677,118	693,657	999,516	1,172,524	1,507,428	1,725,481
<u>2,060,975</u>	<u>1,897,460</u>	<u>2,228,932</u>	<u>2,385,768</u>	<u>2,673,074</u>	<u>2,791,689</u>
<u>590,673</u>	<u>508,667</u>	<u>638,392</u>	<u>519,084</u>	<u>440,523</u>	<u>212,051</u>
11,420	3,591	2,029	(3,138)	4,312	(1,050)
2,500	—	17,223	—	—	—
—	—	—	—	(224)	—
—	—	—	—	—	—
—	—	—	35	—	—
<u>(304,320)</u>	<u>(275,997)</u>	<u>(291,421)</u>	<u>(290,900)</u>	<u>(300,608)</u>	<u>(255,908)</u>
<u>(290,400)</u>	<u>(272,406)</u>	<u>(272,169)</u>	<u>(294,003)</u>	<u>(296,520)</u>	<u>(256,958)</u>
<u>\$ 300,273</u>	<u>\$ 236,261</u>	<u>\$ 366,223</u>	<u>\$ 225,081</u>	<u>\$ 144,003</u>	<u>\$ (44,907)</u>
<u>\$ 655,342</u>	<u>\$ 1,256,908</u>	<u>\$ 592,638</u>	<u>\$ 1,113,822</u>	<u>\$ 280,814</u>	<u>\$ 911,509</u>

**STATE OF MISSOURI
FUND BALANCES - GOVERNMENTAL FUNDS
FISCAL YEARS 2011-2020
(In Thousands of Dollars)**

	2020	2019*	2018	2017	2016
General Fund					
Nonspendable	\$ 48,942	\$ 47,542	\$ 48,944	\$ 52,969	\$ 58,712
Restricted	598,678	556,252	485,578	341,052	488,180
Committed	662,067	655,263	617,661	590,697	589,956
Assigned	100,048	98,634	86,662	154,634	78,096
Unassigned	1,255,194	770,145	457,634	294,901	238,735
Total General Fund	<u>2,664,929</u>	<u>2,127,836</u>	<u>1,696,479</u>	<u>1,434,253</u>	<u>1,453,679</u>
All Other Governmental Funds					
Nonspendable	104,486	98,229	95,438	97,723	97,027
Restricted	1,649,246	1,390,740	1,489,673	1,517,114	1,699,763
Committed	1,964,707	1,799,430	1,787,795	1,614,390	1,543,913
Assigned	375,242	377,227	410,182	422,122	430,901
Unassigned	—	—	—	(17,628)	—
Total All Other Governmental Funds	<u>4,093,681</u>	<u>3,665,626</u>	<u>3,783,088</u>	<u>3,633,721</u>	<u>3,771,604</u>
Total Fund Balances, Governmental Funds	<u>\$ 6,758,610</u>	<u>\$ 5,793,462</u>	<u>\$ 5,479,567</u>	<u>\$ 5,067,974</u>	<u>\$ 5,225,283</u>

Continues Below

	2015	2014	2013	2012	2011
General Fund					
Nonspendable	\$ 53,809	\$ 50,504	\$ 56,048	\$ 61,207	\$ 42,906
Restricted	292,758	289,266	285,878	340,205	475,205
Committed	545,765	560,141	506,778	504,569	512,623
Assigned	158,390	73,625	67,277	63,484	59,783
Unassigned	349,901	244,821	530,431	195,193	325,123
Total General Fund	<u>1,400,623</u>	<u>1,218,357</u>	<u>1,446,412</u>	<u>1,164,658</u>	<u>1,415,640</u>
All Other Governmental Funds					
Nonspendable	1,243,039	1,170,054	1,126,253	1,077,138	1,016,981
Restricted	1,512,228	1,544,139	1,636,550	1,745,287	2,137,789
Committed	377,527	345,465	337,874	291,723	284,455
Assigned	425,256	400,668	370,090	367,261	339,192
Total All Other Governmental Funds	<u>3,558,050</u>	<u>3,460,326</u>	<u>3,470,767</u>	<u>3,481,409</u>	<u>3,778,417</u>
Total Fund Balances, Governmental Funds	<u>\$ 4,958,673</u>	<u>\$ 4,678,683</u>	<u>\$ 4,917,179</u>	<u>\$ 4,646,067</u>	<u>\$ 5,194,057</u>

*Fiscal year 2019 amounts have been restated.

**STATE OF MISSOURI
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEARS 2011-2020
(In Thousands of Dollars)**

	2020	2019*	2018	2017
Revenues:				
Taxes	\$ 12,169,633	\$ 12,465,629	\$ 12,151,078	\$ 11,877,303
Licenses, Fees, and Permits	714,776	710,814	675,447	678,037
Sales	8,039	8,587	9,527	9,035
Leases and Rentals	117	138	157	158
Services	122,012	121,249	148,653	122,531
Contributions and Intergovernmental	13,242,971	11,765,170	11,890,439	11,395,032
Investment Earnings:				
Net Increase (Decrease) in the Fair Value of Investments	13,797	9,766	(15,384)	(10,530)
Interest	105,711	93,129	60,189	34,080
Penalties and Unclaimed Properties	86,177	85,784	69,907	96,568
Cost Reimbursement/Miscellaneous	617,083	488,501	513,741	564,390
Total Revenues	27,080,316	25,748,767	25,503,754	24,766,604
Expenditures:				
Current:				
General Government	1,030,944	964,166	909,941	884,641
Education	7,033,971	7,117,049	7,031,232	7,071,710
Natural and Economic Resources	709,256	822,854	869,568	896,485
Transportation and Law Enforcement	1,632,842	1,454,177	1,483,225	1,473,797
Human Services	14,853,070	14,066,072	14,012,219	13,629,856
Capital Outlay:				
General Government	13,836	1,242	1,320	14,057
Education	—	12	106	348
Natural and Economic Resources	2,638	629	3,549	2,027
Transportation and Law Enforcement	1,003,310	834,991	854,707	712,716
Human Services	1,955	32,605	64,467	54,915
Debt Service:				
Principal	266,278	334,138	333,480	436,938
Interest	117,855	134,110	144,976	159,977
Bond Issuance Costs	668	370	356	336
Underwriter's Discount	12	—	985	972
Arbitrage	—	—	—	—
Total Expenditures	26,666,635	25,762,415	25,710,131	25,338,775
Excess Revenues (Expenditures)	413,681	(13,648)	(206,377)	(572,171)
Other Financing Sources (Uses):				
Proceeds from Notes/Capital Leases/Financed				
Purchases	2,161	1,612	6,934	1,542
Proceeds from General Obligation/Other Bonds	178,370	102,705	124,905	97,225
Issuance of Refunding Bonds	38,920	—	—	—
Payments to Escrow Agent	(41,069)	(111,483)	—	—
Bond Premium	25,458	9,148	9,751	5,877
Proceeds from Capital Asset Sale	27,791	15,300	18,034	20,305
Transfers In	330,277	323,846	342,979	297,229
Transfers Out	(13,022)	(16,541)	(9,177)	(5,598)
Total Other Financing Sources (Uses)	548,886	324,587	493,426	416,580
Net Change in Fund Balances	962,567	310,939	287,049	(155,591)
Increase (Decrease) in Reserve for Inventory	2,581	425	(154)	(1,716)
Net Change in Fund Balances	\$ 965,148	\$ 311,364	\$ 286,895	\$ (157,307)
Debt Service as a Percentage of Non-Capital Expenditures	1.50 %	1.88 %	1.94 %	2.45 %

*Fiscal year 2019 amounts have been restated.

	2016	2015	2014	2013	2012	2011
\$	11,550,222	\$ 11,302,267	\$ 10,549,046	\$ 10,557,831	\$ 9,956,574	\$ 9,398,840
	685,115	653,218	654,416	647,233	647,130	630,944
	9,002	11,905	12,308	10,261	8,827	10,131
	71	497	480	1,212	313	665
	116,133	105,066	111,280	115,219	119,076	155,498
	11,157,654	10,871,669	10,652,830	10,860,366	11,230,111	12,500,062
	5,975	2,006	6,737	(25,606)	6,392	(53)
	25,534	29,911	50,251	27,839	33,068	34,496
	72,435	131,384	74,642	112,951	51,591	54,812
	492,593	525,729	507,763	687,609	745,602	662,070
	<u>24,114,734</u>	<u>23,633,652</u>	<u>22,619,753</u>	<u>22,994,915</u>	<u>22,798,684</u>	<u>23,447,465</u>
	886,172	869,266	844,854	884,342	886,309	883,953
	6,893,120	6,673,331	6,419,231	6,351,934	6,363,447	6,525,986
	913,667	833,441	831,495	856,133	934,767	832,855
	1,475,500	1,558,694	1,350,588	1,406,509	1,627,620	1,758,410
	13,037,667	12,761,134	12,447,706	12,162,029	12,320,259	11,627,776
	2,474	—	34	8	—	1
	29	—	—	—	—	—
	246	—	—	—	—	—
	690,269	714,550	852,832	963,001	1,115,457	1,253,100
	37,384	1,354	—	—	—	—
	292,521	285,627	256,221	216,017	212,483	242,497
	166,000	166,672	187,123	189,920	208,518	225,858
	755	831	1,545	920	606	1,552
	1,231	2,260	4,075	2,423	2,074	437
	—	—	—	—	—	42
	<u>24,397,035</u>	<u>23,867,160</u>	<u>23,195,704</u>	<u>23,033,236</u>	<u>23,671,540</u>	<u>23,352,467</u>
	<u>(282,301)</u>	<u>(233,508)</u>	<u>(575,951)</u>	<u>(38,321)</u>	<u>(872,856)</u>	<u>94,998</u>
	14,782	1,819	1,400	712	1,776	6,300
	193,800	129,465	—	—	—	—
	—	108,930	995,555	441,690	163,145	312,960
	—	(121,020)	(1,177,908)	(486,904)	(168,589)	(351,599)
	17,810	18,622	195,638	48,276	7,944	40,468
	18,394	11,137	13,867	19,310	16,864	14,703
	310,842	285,468	304,688	312,595	300,699	255,959
	(6,010)	(9,547)	(12,763)	(21,846)	(144)	—
	<u>549,618</u>	<u>424,874</u>	<u>320,477</u>	<u>313,833</u>	<u>321,695</u>	<u>278,791</u>
	267,317	191,366	(255,474)	275,512	(551,161)	373,789
	(707)	4,928	153	(4,402)	4,135	(2,389)
\$	<u>266,610</u>	<u>\$ 196,294</u>	<u>\$ (255,321)</u>	<u>\$ 271,110</u>	<u>\$ (547,026)</u>	<u>\$ 371,400</u>
	1.96 %	1.99 %	2.02 %	1.85 %	1.89 %	2.14 %

**STATE OF MISSOURI
REVENUE BASE - TAXABLE SALES BY INDUSTRY
FISCAL YEARS 2011-2020**

Taxable Sales by Industry

	2020	2019	2018*	2017	2016
Agricultural/Forestry, Fishing, and Other	\$ 255,902,100	\$ 160,462,181	\$ 243,431,996	\$ 259,105,220	\$ 245,772,867
Mining	303,401,444	353,489,366	453,466,663	110,484,032	106,659,795
Construction	712,675,722	998,174,516	801,058,193	1,788,629,305	1,677,123,560
Manufacturing	2,541,840,495	3,395,360,423	4,543,245,262	4,758,144,850	4,686,174,181
Transportation and Public Utilities	4,965,281,719	6,704,044,793	7,431,439,993	7,991,327,737	7,941,221,199
Wholesale Trade	5,417,878,906	8,580,382,365	37,375,445,863	9,478,033,276	9,258,220,896
Retail Trade	43,584,455,906	44,832,734,671	26,306,855,209	52,013,596,266	50,710,170,965
Finance, Insurance, and Real Estate	1,350,810,033	1,700,974,266	2,244,925,706	675,498,078	639,535,606
Services	19,466,475,589	14,558,550,695	8,557,460,947	10,958,489,216	10,508,298,419
State and Local Government	215,399,261	229,536,272	248,500,694	137,361,580	130,923,934
Non-Classifiable	—	—	—	13,251,530	12,784,255
Total Taxable Sales	\$ 78,814,121,175	\$ 81,513,709,548	\$ 88,205,830,526	\$ 88,183,921,090	\$ 85,916,885,677
Direct Sales Tax Rate	4.225 %	4.225 %	4.225 %	4.225 %	4.225 %

Continues Below

Taxable Sales by Industry

	2015	2014	2013	2012	2011
Agricultural/Forestry, Fishing, and Other	\$ 240,000,494	\$ 236,474,690	\$ 215,327,746	\$ 221,013,601	\$ 201,234,995
Mining	87,523,595	76,102,321	72,364,854	74,803,209	73,001,501
Construction	950,357,972	903,053,231	837,805,800	861,403,612	794,578,753
Manufacturing	4,512,551,497	4,452,723,181	4,122,180,876	3,761,027,682	2,916,005,779
Transportation and Public Utilities	8,150,393,880	8,296,512,631	7,865,266,716	7,836,415,362	8,377,819,035
Wholesale Trade	8,772,153,165	8,355,874,187	8,201,088,643	8,205,030,046	7,636,707,697
Retail Trade	48,945,156,057	46,883,720,342	45,955,834,897	45,578,697,317	43,451,150,211
Finance, Insurance, and Real Estate	459,394,721	428,174,408	555,096,635	577,095,000	573,590,035
Services	10,167,703,650	9,615,517,898	9,242,131,446	9,239,885,195	8,712,983,898
State and Local Government	149,553,253	196,281,904	164,729,390	167,737,492	150,984,890
Non-Classifiable	12,193,479	13,389,207	19,041,853	15,869,773	13,130,346
Total Taxable Sales	\$ 82,446,981,763	\$ 79,457,824,000	\$ 77,250,868,856	\$ 76,538,978,289	\$ 72,901,187,140
Direct Sales Tax Rate	4.225 %	4.225 %	4.225 %	4.225 %	4.225 %

Source: Missouri Department of Revenue

* During fiscal year 2018 the State replaced the Standard Industrial Classification System with the more consistent North American Industry Classification System to classify revenues.

**STATE OF MISSOURI
REVENUE BASE - PERSONAL INCOME BY INDUSTRY
CALENDAR YEARS 2010-2019**

Personal Income by Industry (In Thousands of Dollars)	2019	2018	2017	2016	2015
Farm Earnings	\$ 1,291,799	\$ 266,645	\$ 1,062,184	\$ 829,415	\$ 722,021
Agricultural/Forestry, Fishing, and Other	490,883	482,308	424,552	457,108	451,862
Mining	393,973	336,767	241,988	320,915	345,512
Construction/Utilities	15,021,227	14,235,375	13,819,650	12,748,129	11,973,872
Manufacturing	23,566,152	22,730,105	21,229,515	20,542,795	20,483,723
Transportation and Public Utilities	8,098,772	7,511,308	7,189,504	6,957,284	6,937,566
Wholesale Trade	11,548,530	11,056,910	10,826,692	10,831,422	11,063,357
Retail Trade	12,396,283	11,993,104	11,749,093	11,785,062	11,618,585
Finance, Insurance, and Real Estate	18,236,762	19,493,630	17,761,199	15,456,673	15,873,119
Services	90,210,784	86,806,984	82,115,017	78,239,644	77,566,750
Federal, Civilian	6,180,879	6,078,280	5,843,242	5,677,270	5,566,826
Military	2,120,915	2,000,240	1,912,463	1,879,387	1,889,251
State and Local Government	23,209,704	22,440,186	22,264,323	22,256,414	21,860,748
Total Personal Income	\$ 212,766,663	\$ 205,431,842	\$ 196,439,422	\$ 187,981,518	\$ 186,353,192
Total Direct Personal Income Tax Rate	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %

Continues Below

Personal Income by Industry (In Thousands of Dollars)	2014	2013	2012	2011	2010
Farm Earnings	\$ 3,786,857	\$ 1,626,591	\$ 1,257,121	\$ 2,321,629	\$ 1,523,983
Agricultural/Forestry, Fishing, and Other	394,686	397,546	319,736	297,657	333,875
Mining	450,247	531,506	533,997	504,777	395,522
Construction/Utilities	12,039,804	11,722,352	11,021,154	10,551,329	10,588,278
Manufacturing	19,405,898	18,638,481	18,223,989	17,303,819	16,746,171
Transportation and Public Utilities	6,632,242	6,641,733	6,329,830	5,957,783	5,732,126
Wholesale Trade	10,168,424	9,614,681	9,401,253	8,969,791	8,721,745
Retail Trade	11,353,713	11,045,743	10,981,844	10,654,925	10,506,522
Finance, Insurance, and Real Estate	14,637,085	13,981,286	13,577,510	12,587,314	12,244,442
Services	75,021,866	73,357,863	70,695,009	67,723,434	65,813,475
Federal, Civilian	5,370,947	5,170,204	5,326,901	5,399,812	5,440,528
Military	1,906,989	2,165,907	2,087,494	2,151,087	2,185,296
State and Local Government	21,611,208	21,013,029	20,951,836	20,783,859	21,026,890
Total Personal Income	\$ 182,779,966	\$ 175,906,922	\$ 170,707,674	\$ 165,207,216	\$ 161,258,853
Total Direct Personal Income Tax Rate	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %

Source: Bureau of Economic Analysis

**STATE OF MISSOURI
PERSONAL INCOME TAX REVENUE
FISCAL YEARS 2010-2019**

Personal Income Tax Revenue	2020	2019	2018	2017	2016
Personal Income Tax Revenue	\$ 6,948,385,189	\$ 7,654,451,494	\$ 7,737,588,498	\$ 7,331,004,490	\$ 7,182,257,124
Personal Income (Federal AGI)	\$ 294,938,339,311	\$ 314,827,907,242	\$ 304,938,141,965	\$ 308,516,717,209	\$ 295,120,344,327
Taxable Income	\$ 228,600,967,718	\$ 235,907,363,855	\$ 228,943,859,159	\$ 233,037,149,447	\$ 223,319,685,253
Average Effective Rate:					
Federal Adjusted Gross Taxable Income	2.36%	2.43%	2.54%	2.38%	2.43%
	3.04%	3.24%	3.38%	3.15%	3.22%

Continues Below

Personal Income Tax Revenue	2015	2014	2013	2012	2011
Personal Income Tax Revenue	\$ 6,904,280,506	\$ 6,421,723,597	\$ 6,374,093,816	\$ 5,851,270,707	\$ 5,641,812,271
Personal Income (Federal AGI)	\$ 272,999,790,569	\$ 286,579,465,435	\$ 238,522,413,855	\$ 232,336,289,876	\$ 206,107,657,668
Taxable Income	\$ 204,984,460,785	\$ 215,915,208,076	\$ 176,397,991,056	\$ 170,827,410,945	\$ 147,407,200,244
Average Effective Rate:					
Federal Adjusted Gross Taxable Income	2.53%	2.24%	2.67%	2.52%	2.74%
	3.37%	2.97%	3.61%	3.43%	3.83%

Note: Article X, Sections 16 through 24 of the Missouri Constitution establishes a revenue limit for Missouri State Government. When total revenues exceed the limit, tax refunds are generated.

Source: Missouri Department of Revenue

**STATE OF MISSOURI
PERSONAL INCOME TAX RATES
FISCAL YEARS 2011-2020**

**Ranges of Tax Rates
on the Portion of
Taxable Income
(In Thousands)**

*In dollar amounts

	2020			2019			2018			2017*		
Tax Rate	\$ —	plus	1.5%	\$ —	plus	1.5%	\$ —	plus	1.5%	\$ —	plus	1.5%
Income Levels			107-1,073			105-1,053			103-1,028			101-1,008
Tax Rate	16	plus	2.0%	16	plus	2.0%	16	plus	2.0%	15	plus	2.0%
Income Levels			1,074-2,146			1,054-2,106			1,029-2,056			1,009-2,016
Tax Rate	37	plus	2.5%	37	plus	2.5%	36	plus	2.5%	35	plus	2.5%
Income Levels			2,147-3,219			2,107-3,159			2,057-3,084			2,017-3,024
Tax Rate	64	plus	3.0%	64	plus	3.0%	62	plus	3.0%	60	plus	3.0%
Income Levels			3,220-4,292			3,160-4,212			3,085-4,113			3,025-4,032
Tax Rate	96	plus	3.5%	96	plus	3.5%	93	plus	3.5%	90	plus	3.5%
Income Levels			4,293-5,365			4,213-5,265			4,114-5,141			4,033-5,040
Tax Rate	134	plus	4.0%	134	plus	4.0%	129	plus	4.0%	125	plus	4.0%
Income Levels			5,366-6,438			5,266-6,318			5,142-6,169			5,041-6,048
Tax Rate	177	plus	4.5%	177	plus	4.5%	170	plus	4.5%	165	plus	4.5%
Income Levels			6,439-7,511			6,319-7,371			6,170-7,197			6,049-7,056
Tax Rate	225	plus	5.0%	225	plus	5.0%	216	plus	5.0%	210	plus	5.0%
Income Levels			7,512-8,584			7,372-8,424			7,198-8,225			7,057-8,064
Tax Rate	279	plus	5.4%	279	plus	5.4%	267	plus	5.5%	260	plus	5.5%
Income Levels			8,584+			8,424+			8,226-9,253			8,065-9,072
Tax Rate	—	plus	—%	—	plus	—%	324	plus	5.9%	315	plus	6.0%
Income Levels			—			—			9,253+			9,072+

Continues Below

**Ranges of Tax Rates
on the Portion of
Taxable Income
(In Thousands of Dollars)**

	2016	2015	2014	2013	2012	2011
Tax Rate	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %
Income Levels	1.1-2	1.1-2	1.1-2	1.1-2	1.1-2	1.1-2
Tax Rate	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
Income Levels	2.1-3	2.1-3	2.1-3	2.1-3	2.1-3	2.1-3
Tax Rate	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
Income Levels	3.1-4	3.1-4	3.1-4	3.1-4	3.1-4	3.1-4
Tax Rate	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %
Income Levels	4.1-5	4.1-5	4.1-5	4.1-5	4.1-5	4.1-5
Tax Rate	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %
Income Levels	5.1-6	5.1-6	5.1-6	5.1-6	5.1-6	5.1-6
Tax Rate	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %
Income Levels	6.1-7	6.1-7	6.1-7	6.1-7	6.1-7	6.1-7
Tax Rate	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %
Income Levels	7.1-8	7.1-8	7.1-8	7.1-8	7.1-8	7.1-8
Tax Rate	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
Income Levels	8.1-9	8.1-9	8.1-9	8.1-9	8.1-9	8.1-9
Tax Rate	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %
Income Levels	9.1+	9.1+	9.1+	9.1+	9.1+	9.1+

Note: Article X, Sections 16 through 24 of the Missouri Constitution establishes a revenue limit for Missouri State Government. When total revenues exceed the limit, tax refunds are generated

Source: Missouri Department of Revenue

*The tax rate table changed in 2017 due to new legislation on how the rates were to be calculated.

**STATE OF MISSOURI
REVENUE PAYERS BY INDUSTRY
FISCAL YEARS 2011-2020**

Sales Tax	2020	%	2019	%	2018*	%
Agricultural	\$ 10,811,864	0.33 %	\$ 6,779,527	0.20 %	\$ 10,285,002	0.28 %
Mining	12,818,711	0.39 %	14,934,926	0.43 %	19,158,966	0.51 %
Construction	30,110,549	0.90 %	42,172,873	1.23 %	33,955,810	0.91 %
Manufacturing	107,392,761	3.23 %	143,453,978	4.16 %	191,952,112	5.15 %
Transportation & Utilities	209,783,153	6.30 %	283,245,892	8.22 %	313,978,340	8.43 %
Wholesale Trade	228,905,384	6.87 %	362,521,155	10.53 %	1,579,112,588	42.37 %
Retail Trade	1,841,443,262	55.30 %	1,894,183,040	55.00 %	1,111,464,633	29.82 %
Finance, Insurance, & Real Estate	57,071,724	1.71 %	71,866,163	2.09 %	94,848,111	2.55 %
Services	822,458,597	24.70 %	615,098,767	17.86 %	361,552,725	9.70 %
Government	9,100,619	0.27 %	9,697,907	0.28 %	10,499,154	0.28 %
Non-Classifiable	—	— %	—	— %	—	— %
Total	\$ 3,329,896,624	100.00 %	\$ 3,443,954,228	100.00 %	\$ 3,726,807,441	100.00 %

	2017	%	2016	%	2015	%
Agricultural	\$ 10,947,196	0.29 %	\$ 10,383,904	0.36 %	\$ 10,140,021	0.29 %
Mining	4,667,950	0.12 %	4,506,376	0.16 %	3,697,872	0.11 %
Construction	75,569,588	2.03 %	37,780,540	1.31 %	40,152,624	1.15 %
Manufacturing	201,031,620	5.40 %	192,230,237	6.67 %	190,655,301	5.47 %
Transportation & Utilities	337,633,597	9.06 %	330,960,635	11.49 %	344,354,141	9.89 %
Wholesale Trade	400,446,906	10.75 %	261,477,270	9.07 %	370,623,471	10.64 %
Retail Trade	2,197,574,442	58.98 %	1,568,702,724	54.44 %	2,067,932,843	59.37 %
Finance, Insurance, & Real Estate	28,539,794	0.77 %	25,446,129	0.88 %	19,409,427	0.56 %
Services	462,996,169	12.43 %	443,975,608	15.41 %	429,585,479	12.33 %
Government	5,803,527	0.16 %	5,531,536	0.19 %	6,318,625	0.18 %
Non-Classifiable	559,877	0.01 %	540,135	0.02 %	515,174	0.01 %
Total	\$ 3,725,770,666	100.00 %	\$ 2,881,535,094	100.00 %	\$ 3,483,384,978	100.00 %

	2014	%	2013	%	2012	%
Agricultural	\$ 9,991,056	0.30 %	\$ 9,097,597	0.28 %	\$ 9,337,825	0.29 %
Mining	3,215,323	0.09 %	3,057,415	0.09 %	3,160,435	0.10 %
Construction	38,153,999	1.14 %	35,397,295	1.08 %	36,394,303	1.13 %
Manufacturing	188,127,554	5.60 %	174,162,142	5.34 %	158,903,420	4.91 %
Transportation & Utilities	350,527,659	10.44 %	332,307,519	10.18 %	331,088,549	10.24 %
Wholesale Trade	353,035,684	10.52 %	346,495,995	10.62 %	346,662,519	10.72 %
Retail Trade	1,980,837,184	59.00 %	1,941,634,024	59.49 %	1,925,699,962	59.55 %
Finance, Insurance, & Real Estate	18,090,369	0.54 %	23,452,833	0.72 %	24,382,264	0.75 %
Services	406,255,631	12.10 %	390,480,054	11.96 %	390,385,149	12.07 %
Government	8,292,910	0.25 %	6,959,817	0.21 %	7,086,909	0.22 %
Non-Classifiable	565,694	0.02 %	804,518	0.03 %	670,498	0.02 %
Total	\$ 3,357,093,063	100.00 %	\$ 3,263,849,209	100.00 %	\$ 3,233,771,833	100.00 %

	2011	%
Agricultural	\$ 8,502,179	0.27 %
Mining	3,084,313	0.10 %
Construction	33,570,952	1.09 %
Manufacturing	123,201,244	4.00 %
Transportation & Utilities	353,962,854	11.49 %
Wholesale Trade	322,650,900	10.48 %
Retail Trade	1,835,811,096	59.60 %
Finance, Insurance, & Real Estate	24,234,179	0.79 %
Services	368,123,570	11.95 %
Government	6,379,112	0.21 %
Non-Classifiable	554,757	0.02 %
Total	\$ 3,080,075,156	100.00 %

Source: Missouri Department of Revenue

* During fiscal year 2018 the State replaced the Standard Industrial Classification System with the more consistent North American Industry Classification System to classify revenues.

**STATE OF MISSOURI
PERSONAL INCOME TAX FILERS/LIABILITY
FISCAL YEARS 2011 AND 2020**

Personal Income*

	2020			
	Number of Filers	% of Total	Personal Income Tax Liability	% of Total
\$50,000 and under	2,803,426	69.50 %	\$ 992,978,129	16.90 %
\$50,000 - \$100,000	857,188	21.25 %	1,680,963,742	28.60 %
\$100,000 - \$250,000	289,015	7.17 %	1,374,309,754	23.38 %
\$250,000 - \$1,000,000	67,113	1.66 %	852,549,140	14.51 %
\$1,000,000 and over	16,931	0.42 %	976,246,977	16.61 %
Total	4,033,673	100.00 %	\$ 5,877,047,742	100.00 %

	2011			
	Number of Filers	% of Total	Personal Income Tax Liability	% of Total
\$50,000 and under	3,335,433	77.33 %	\$ 1,326,683,118	25.99 %
\$50,000 - \$100,000	725,133	16.81 %	1,440,565,487	28.22 %
\$100,000 - \$250,000	195,951	4.54 %	937,767,204	18.37 %
\$250,000 - \$1,000,000	46,320	1.08 %	650,241,336	12.75 %
\$1,000,000 and over	10,398	0.24 %	748,681,711	14.67 %
Total	4,313,235	100.00 %	\$ 5,103,938,856	100.00 %

*Federal Adjusted Gross Income

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available.
The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

Source: Missouri Department of Revenue

**STATE OF MISSOURI
RATIOS OF OUTSTANDING DEBT
FISCAL YEARS 2011-2020
(In Thousands of Dollars Except Per Capita)**

	2020	2019*	2018	2017
Governmental Activities				
General Obligation Bonds	\$ 44,530	\$ 66,120	\$ 104,695	\$ 154,830
Other Bonds	2,464,135	2,523,955	2,807,240	2,943,825
Leasehold Revenue Bonds	22,505	24,170	25,775	27,310
Certificates of Participation	—	—	13,525	26,770
Financed Purchases	22,759	30,748	24,848	—
Capital Leases	19,558	21,425	15,812	45,736
Total Governmental Activities	<u>\$ 2,573,487</u>	<u>\$ 2,666,418</u>	<u>\$ 2,991,895</u>	<u>\$ 3,198,471</u>
Business-Type Activities				
Financed Purchases	\$ —	\$ 2	\$ —	\$ —
Capital Leases	—	—	—	128
Total Business-Type Activities	<u>\$ —</u>	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ 128</u>
Total Primary Government	<u>\$ 2,573,487</u>	<u>\$ 2,666,420</u>	<u>\$ 2,991,895</u>	<u>\$ 3,198,599</u>
Personal Income	\$ 298,620,000	\$ 285,704,000	\$ 266,920,797	\$ 261,547,770
Debt as a Percentage of Personal Income ¹	0.9 %	0.9 %	1.1 %	1.2 %
Debt Per Capita ¹	\$ 419	\$ 441	\$ 489	\$ 526
Legal Debt Margin Calculation for Fiscal Year 2020:				
General Obligation Bonds Authorized (Legislative Debt Limit)	\$ 1,726,395			
Unforeseen Emergency or Casual Deficiency	1,000			
Less: General Obligation Issued	(1,489,494)			
Legal Debt Margin	<u>\$ 237,901</u>			
Legal Debt Margin Summary by Fiscal Year:				
Legislative Debt Limit	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395
Total Net Debt Applicable to Limit	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)
Legal Debt Margin	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>
Legal Debt Margin to Debt Limit Ratio	13.78 %	13.78 %	13.78 %	13.78 %

¹ These ratios are calculated using personal income and population for the calendar year.
See *Demographic Indicators* for personal income and population data.

*Fiscal year 2019 amounts have been restated.

2016	2015	2014	2013	2012	2011
\$ 208,880	\$ 266,275	\$ 323,395	\$ 378,150	\$ 432,765	\$ 487,090
3,207,400	3,226,430	3,303,700	3,562,775	3,735,920	3,880,975
28,770	30,170	31,515	32,995	32,780	33,880
39,770	52,560	65,160	76,910	76,910	76,910
—	—	—	—	—	—
61,846	51,729	66,270	75,535	78,455	103,543
<u>\$ 3,546,666</u>	<u>\$ 3,627,164</u>	<u>\$ 3,790,040</u>	<u>\$ 4,126,365</u>	<u>\$ 4,356,830</u>	<u>\$ 4,582,398</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
304	477	215	284	356	66
<u>\$ 304</u>	<u>\$ 477</u>	<u>\$ 215</u>	<u>\$ 284</u>	<u>\$ 356</u>	<u>\$ 66</u>
<u>\$ 3,546,970</u>	<u>\$ 3,627,641</u>	<u>\$ 3,790,255</u>	<u>\$ 4,126,649</u>	<u>\$ 4,357,186</u>	<u>\$ 4,582,464</u>
\$ 257,338,334	\$ 252,482,438	\$ 245,771,389	\$ 235,153,679	\$ 228,218,407	\$ 218,778,293
1.4 %	1.4 %	1.5 %	1.8 %	1.9 %	2.1 %
\$ 583	\$ 598	\$ 627	\$ 685	\$ 725	\$ 764
\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395
(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)
<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>
13.78 %	13.78 %	13.78 %	13.78 %	13.78 %	13.78 %

**STATE OF MISSOURI
 PLEDGED REVENUE COVERAGE
 FISCAL YEARS 2011-2020
 (In Thousands of Dollars)**

Fiscal Year	Gross Revenues ¹	Less: Operating Expenses ²	Net Available Revenues	Debt Service		Coverage ³
				Principal	Interest	
Missouri Road Fund						
2020	\$ 2,022,185	\$ 395,583	\$ 1,626,602	\$ 177,764	\$ 141,069	5.1
2019	1,955,445	389,546	1,565,899	209,355	80,032	5.4
2018	2,000,651	383,969	1,616,682	200,185	89,422	5.6
2017	1,852,570	388,116	1,464,454	190,770	103,917	5.0
2016	1,831,126	372,800	1,458,326	168,470	111,751	5.2
2015	1,721,615	373,739	1,347,876	169,550	114,878	4.7
2014	1,773,033	348,537	1,424,496	162,050	130,641	4.9
2013	1,822,318	333,327	1,488,991	153,525	135,511	5.2
2012	1,761,382	342,240	1,419,142	133,190	140,202	5.2
2011	2,237,700	305,649	1,932,051	137,015	146,326	6.8

N/A = not available

¹ Revenues for Missouri Road Fund consist of a portion of the taxes and fees received by the State from the motor fuel tax, sales tax on motor vehicles, use tax on motor vehicles, revenue derived from motorists for their usage of the highways of the State, federal grants, and bond proceeds.

² Operating Expenses do not include depreciation/amortization.

³ Coverage equals net available revenue divided by debt service.

Source: Missouri Department of Transportation

**STATE OF MISSOURI
DEMOGRAPHIC INDICATORS
CALENDAR YEARS 2010-2019**

	2019	2018	2017	2016	2015
Population					
Missouri (In Thousands)	6,137	6,043	6,114	6,093	6,084
Change	0.3 %	0.3 %	0.4 %	0.1 %	0.3 %
National (In Thousands)	328,240	327,167	325,719	323,128	321,419
Change	0.5 %	0.6 %	0.7 %	0.5 %	0.8 %
Total Personal Income					
Missouri					
(In Thousands of Dollars)	\$ 298,620,000	\$ 285,704,000	\$ 266,920,797	\$ 261,547,770	\$ 257,338,334
Change	4.5 %	6.6 %	2.1 %	1.6 %	1.9 %
National					
(In Thousands of Dollars)	\$ 18,542,262,000	\$ 17,572,929,000	\$ 16,413,550,863	\$ 15,912,777,000	\$ 15,463,981,000
Change	5.5 %	6.6 %	3.1 %	2.9 %	5.3 %
Per Capita Personal Income					
Missouri	\$ 49,589	\$ 46,635	\$ 43,661	\$ 42,926	\$ 42,300
Change	6.3 %	6.4 %	1.7 %	1.5 %	1.6 %
National	\$ 56,663	\$ 53,712	\$ 50,392	\$ 49,246	\$ 48,112
Change	5.5 %	6.2 %	2.3 %	2.4 %	4.5 %
Resident Civilian Labor Force and Employment					
Civilian Labor Force					
(In Thousands)	3,083	3,052	3,051	3,112	3,114
Employed (In Thousands)	2,982	2,955	2,936	2,971	2,958
Unemployed (In Thousands)	102	98	115	141	156
Unemployment Rate	3.3 %	3.2 %	3.8 %	4.5 %	5.0 %
National Unemployment Rate	3.7 %	3.9 %	4.4 %	4.9 %	5.3 %

Continues Below

	2014	2013	2012	2011	2010
Population					
Missouri (In Thousands)	6,064	6,044	6,022	6,011	5,996
Change	0.3 %	0.4 %	0.2 %	0.3 %	0.6 %
National (In Thousands)	318,857	316,129	313,914	311,592	309,330
Change	0.9 %	0.7 %	0.7 %	0.7 %	0.8 %
Total Personal Income					
Missouri					
(In Thousands of Dollars)	\$ 252,482,438	\$ 245,771,389	\$ 235,153,679	\$ 228,218,407	\$ 218,778,293
Change	2.7 %	4.5 %	3.0 %	4.3 %	1.3 %
National					
(In Thousands of Dollars)	\$ 14,683,147,000	\$ 14,151,427,000	\$ 13,401,868,693	\$ 12,949,905,000	\$ 12,308,496,000
Change	3.8 %	5.6 %	3.5 %	5.2 %	3.3 %
Per Capita Personal Income					
Missouri	\$ 41,639	\$ 40,663	\$ 39,049	\$ 37,969	\$ 36,406
Change	2.4 %	4.1 %	2.8 %	4.3 %	0.4 %
National	\$ 46,049	\$ 44,765	\$ 42,693	\$ 41,560	\$ 39,791
Change	2.9 %	4.9 %	2.7 %	4.4 %	2.4 %
Resident Civilian Labor Force and Employment					
Civilian Labor Force					
(In Thousands)	3,058	3,018	2,993	3,022	3,053
Employed (In Thousands)	2,871	2,821	2,785	2,767	2,767
Unemployed (In Thousands)	187	197	207	255	286
Unemployment Rate	6.1 %	6.5 %	6.9 %	8.4 %	9.4 %
National Unemployment Rate	6.2 %	7.4 %	8.1 %	8.9 %	9.6 %

Sources: Bureau of Economic Analysis, Missouri Economic Research and Information Center, Bureau of Labor Statistics

**STATE OF MISSOURI
ECONOMIC INDICATORS
CALENDAR YEARS 2010-2019**

	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>
School Enrollment (In Thousands)					
Elementary and Secondary Education	880	881	884	884	885
Higher Education - Private Institutions	84	87	87	92	93
Total Enrollment (In thousands)	<u>964</u>	<u>968</u>	<u>971</u>	<u>976</u>	<u>978</u>
% Change from Prior Year	(0.4)%	(0.3)%	(0.5)%	(0.2)%	(0.3)%
Higher Education					
Public Community Colleges					
Number of Campuses	22	22	19	19	19
Number of Students (FTE*)	50,928	52,927	55,418	57,568	57,247
State Technical College					
Number of Campuses	1	1	1	1	1
Number of Students (FTE)	1,710	1,467	1,242	1,226	1,273
State Colleges/Universities					
Number of Campuses	14	14	14	14	14
Number of Students (FTE)	108,651	112,020	115,374	119,127	121,827

Continues Below

	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>
School Enrollment (In Thousands)					
Elementary and Secondary Education	886	888	888	886	890
Higher Education - Private Institutions	95	90	91	98	95
Total Enrollment	<u>981</u>	<u>978</u>	<u>979</u>	<u>984</u>	<u>985</u>
% Change from Prior Year	0.3 %	(0.1)%	(0.5)%	(0.1)%	0.0 %
Higher Education					
Public Community Colleges					
Number of Campuses	19	19	19	19	19
Number of Students (FTE*)	61,671	65,773	67,721	70,964	70,320
State Technical College					
Number of Campuses	1	1	1	1	1
Number of Students (FTE)	1,276	1,325	1,236	1,161	1,133
State Colleges/Universities					
Number of Campuses	14	14	14	14	14
Number of Students (FTE)	121,358	118,669	118,055	117,609	114,655

*FTE is Full-Time Equivalent.

Sources: Missouri Department of Elementary and Secondary Education and Missouri Department of Higher Education and Workforce Development.

**STATE OF MISSOURI
PRINCIPAL EMPLOYERS
CALENDAR YEARS 2010 AND 2019**

2019

Employer	Number of Employees	Percent of Total State Employment
State of Missouri ¹	53,000	1.78%
Wal-Mart Associates, Inc.	40,000	1.34%
Mercy Health Systems	25,000 - 30,000	0.84% - 1.01%
University of Missouri	20,000 - 25,000	0.67% - 0.84%
Washington University	15,000 - 20,000	0.50% - 0.67%
U.S. Post Office	10,000 - 15,000	0.34% - 0.50%
Boeing Corporation	10,000 - 15,000	0.34% - 0.50%
Cerner Corporation	10,000 - 15,000	0.34% - 0.50%
Department of Veterans Affairs	10,000 - 15,000	0.34% - 0.50%
Barnes-Jewish Hospitals	10,000 - 15,000	0.34% - 0.50%
Lester E Cox Medical Centers	7,500 - 10,000	0.25% - 0.34%
Total	<u>210,500 - 253,000</u>	<u>7.06% - 8.49%</u>
Total Missouri Employment		2,981,688

2010

Employer	Number of Employees	Percent of Total State Employment
State of Missouri ¹	60,000	2.20%
Wal-Mart Associates, Inc.	40,000-45,000	1.47% - 1.65%
University of Missouri	20,000 - 25,000	0.73% - 0.92%
U.S. Post Office	15,000 - 17,500	0.55% - 0.64%
Washington University	15,000 - 17,500	0.55% - 0.64%
Boeing Corporation	12,500 - 15,000	0.46% - 0.55%
U.S. Department of Defense	7,500 - 10,000	0.28% - 0.37%
Barnes-Jewish Hospitals	7,500 - 10,000	0.28% - 0.37%
Schnuck Markets, Inc.	7,500 - 10,000	0.28% - 0.37%
City of St. Louis	7,500 - 10,000	0.28% - 0.37%
Department of Veterans Affairs	7,500 - 10,000	0.28% - 0.37%
Total	<u>200,000 - 230,000</u>	<u>7.34% - 8.44%</u>
Total Missouri Employment		2,725,527

All figures are based on a calendar-year average.

¹Number of state employees includes only full-time personnel and does not include college or university employees.

Sources: Missouri Economic Research and Information Center, State of Missouri CAFR-Fiscal Year 2011, State Employee Headcount report

**STATE OF MISSOURI
STATE EMPLOYEES BY FUNCTION
FISCAL YEARS 2011-2020
FULL-TIME EQUIVALENTS***

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Legislature	644	652	665	663	670	667	671	670	683	703
Judiciary	3,383	3,430	3,551	3,558	3,543	3,519	3,530	3,470	3,369	3,393
Public Defender	606	605	578	579	577	573	575	565	595	578
Governor	32	33	30	18	21	22	23	26	28	32
Lt. Governor	17	8	7	6	7	6	5	5	6	6
Secretary of State	217	223	220	217	235	233	228	244	244	253
State Auditor	106	116	111	109	108	113	113	111	116	116
State Treasurer	44	46	46	46	45	46	49	48	49	50
Attorney General	370	347	351	351	359	373	376	363	350	371
Office of Administration	1,775	1,846	1,859	1,907	1,881	1,871	1,933	2,132	2,161	2,139
Revenue	1,311	1,297	1,283	1,289	1,283	1,288	1,347	1,344	1,364	1,383
Total General Government	<u>8,505</u>	<u>8,603</u>	<u>8,701</u>	<u>8,743</u>	<u>8,729</u>	<u>8,711</u>	<u>8,850</u>	<u>8,978</u>	<u>8,965</u>	<u>9,024</u>
Education										
Elementary and Secondary Education	2,283	2,512	2,620	2,555	2,663	2,639	2,678	2,631	2,714	2,635
Higher Education and Workforce Development	306	58	56	55	57	57	57	64	61	65
Total Education	<u>2,589</u>	<u>2,570</u>	<u>2,676</u>	<u>2,610</u>	<u>2,720</u>	<u>2,696</u>	<u>2,735</u>	<u>2,695</u>	<u>2,775</u>	<u>2,700</u>
Natural and Economic Resources										
Agriculture	412	431	483	476	495	495	464	456	467	535
Commerce and Insurance	937	744	733	762	770	765	762	759	755	744
Conservation	1,816	1,835	1,871	1,898	1,871	1,895	1,896	1,901	1,872	1,894
Economic Development Labor and Industrial Relations	643	657	701	742	796	827	881	967	998	987
Natural Resources	1,789	1,830	1,842	1,981	2,023	1,974	2,075	2,047	2,042	1,934
Total Natural and Economic Resources	<u>5,837</u>	<u>6,290</u>	<u>6,430</u>	<u>6,671</u>	<u>6,755</u>	<u>6,766</u>	<u>6,864</u>	<u>6,952</u>	<u>7,025</u>	<u>7,041</u>
Transportation and Law Enforcement										
Transportation	5,248	5,497	5,471	5,545	5,444	5,591	5,502	5,410	5,804	6,399
Public Safety	5,723	5,490	5,449	5,316	5,240	5,193	5,220	5,320	5,309	5,281
Total Transportation and Law Enforcement	<u>10,971</u>	<u>10,987</u>	<u>10,920</u>	<u>10,861</u>	<u>10,684</u>	<u>10,784</u>	<u>10,722</u>	<u>10,730</u>	<u>11,113</u>	<u>11,680</u>
Human Services										
Health and Senior Services	1,838	1,794	1,825	1,831	1,825	1,830	1,793	1,798	1,753	1,706
Mental Health	7,852	7,704	7,836	7,728	7,605	7,742	8,076	8,101	8,089	8,256
Social Services	6,492	6,537	6,670	6,735	6,952	7,147	7,145	7,244	7,371	7,562
Corrections	9,459	10,179	10,568	10,866	10,929	11,051	11,069	10,880	10,864	10,990
Total Human Services	<u>25,641</u>	<u>26,214</u>	<u>26,899</u>	<u>27,160</u>	<u>27,311</u>	<u>27,770</u>	<u>28,083</u>	<u>28,023</u>	<u>28,077</u>	<u>28,514</u>
State Total	<u>53,543</u>	<u>54,664</u>	<u>55,626</u>	<u>56,045</u>	<u>56,199</u>	<u>56,727</u>	<u>57,254</u>	<u>57,378</u>	<u>57,955</u>	<u>58,959</u>

*Based on a four quarter average.

Source: Office of Administration, Division of Accounting, Statewide Indirect Cost Allocation Plan

**STATE OF MISSOURI
OPERATING INDICATORS BY FUNCTION
FISCAL YEARS 2011-2020**

	2020	2019	2018	2017
General Government				
Individual Income Tax Returns Processed (In Thousands)	2,931	3,102	3,103	3,060
Sales and Use Tax Returns Processed (In Thousands)	797	765	694	707
Driver Licenses Processed (In Thousands)	1,105	1,324	1,183	1,487
Motor Vehicle Registrations Processed (In Thousands)	3,448	5,930	4,221	3,770
Audit Reports Issued	132	155	155	147
Statewide Court Filings (In Thousands)	1,861	1,902	1,923	2,098
Archives Website Hit				
Secretary of State Web Page (In Thousands)	26,029	24,998	29,498	28,714
Checks Issued (In Thousands)	1,302	1,332	1,537	1,592
Unclaimed Property Returned (In Thousands)	\$ 41,009	\$ 45,083	\$ 44,697	\$ 44,369
Education				
High School Drop Out Rate	1.5 %	2.2 %	2.4 %	2.4 %
Accredited Elementary and Secondary School Districts*	508	508	512	512
Clients Achieving Employment after Receiving Vocational Rehabilitation Services	55.4 %	53.1 %	56.2 %	60.1 %
Student Loan Recovery Rate	28.2 %	31.0 %	25.5 %	26.0 %
Scholarships/Grants Awarded to Eligible Missouri Residents (In Thousands)	\$ 134,414	\$ 128,967	\$ 121,753	\$ 129,623
Natural and Economic Resources				
Job Placement Rate of Unemployed Individuals that Registered on Great Hires Web Page**	68.6 %	70.7 %	71.6 %	64.9 %
Insurance Policies Filed Electronically	100.0 %	100.0 %	100.0 %	100.0 %
Initial Unemployment Claims (In Thousands)	828	184	217	239
International Export Certificates Issued	6,013	6,802	7,619	8,110
Hunting License Holders (In Thousands)	571	561	596	603
Visitors to Missouri State Parks and Historic Sites (In Thousands)	18,482	21,107	21,559	21,273
Transportation and Law Enforcement				
Methamphetamine Labs Seized	1	2	8	11
State - Licensed Fire Safety Inspections	10,477	13,543	17,903	18,459
Buildings Served by Missouri Capitol Police	72	72	71	71
Alcohol Licenses Issued	32,822	34,028	32,972	32,319
Missouri Major Roads Rated in Good Condition	91.1 %	91.5 %	91.6 %	90.0 %
Difference Between Awarded and Actual Transportation Construction Costs	(0.03)%	1.50 %	0.02 %	0.1 %
Human Services				
Medicaid Enrollees	939,919	858,077	971,143	983,835
Food Stamp Recipients	773,079	682,299	727,131	754,062
Doses of Vaccine Issued by Vaccines for Children Providers (In Thousands)	1,104	1,162	1,208	1,243
Incarcerated Offenders	24,035	28,172	31,726	32,537
Individuals Served in State Comprehensive Psychiatric Service Facilities	1,550	1,607	1,611	1,652

*Department of Elementary and Secondary Education presented no accreditation classifications to the Board of Education during fiscal year 2013. Charter schools are not included in the statistics.

** In Fiscal Year 2019 the web page changed from MissouriCareerSource to Great Hires.

Sources: State agencies

	2016	2015	2014	2013	2012	2011
	3,098	3,058	2,848	2,945	2,969	2,917
	707	705	703	730	760	773
	1,123	1,600	1,415	1,308	1,208	1,160
	3,993	4,479	4,215	4,050	3,905	3,828
	135	143	150	146	123	168
	2,370	2,624	2,652	2,685	2,565	2,525
	18,232	72,045	87,436	98,233	91,257	70,384
	1,697	1,550	1,363	1,722	1,971	2,216
\$	42,038	\$ 41,720	\$ 40,042	\$ 39,509	\$ 38,239	\$ 36,373
	2.5 %	2.5 %	2.8 %	3.0 %	3.5 %	4.0 %
	518	507	507	—	506	510
	60.9 %	61.7 %	60.0 %	62.7 %	61.0 %	56.0 %
	23.3 %	26.4 %	31.2 %	34.2 %	36.5 %	30.0 %
\$	119,948	\$ 111,342	\$ 107,413	\$ 104,265	\$ 97,077	\$ 91,146
	65.7 %	60.7 %	56.0 %	55.4 %	55.2 %	58.2 %
	99.7 %	99.5 %	99.4 %	99.4 %	99.5 %	96.0 %
	259	295	355	364	427	502
	6,773	7,926	6,453	7,819	7,821	6,301
	607	610	612	606	593	588
	19,205	18,568	17,468	18,093	17,846	16,363
	7	70	129	244	274	340
	19,459	13,434	15,348	15,680	15,177	11,487
	74	72	72	72	72	73
	31,404	31,400	30,743	30,723	30,498	29,960
	90.4 %	89.2 %	89.7 %	88.5 %	88.1 %	85.8 %
	1.1 %	0.6 %	0.8 %	0.5 %	0.2 %	(0.4)%
	982,776	944,257	825,974	868,226	889,159	897,306
	782,374	844,851	839,734	927,927	943,835	949,136
	1,226	1,174	1,192	1,385	1,354	1,420
	32,837	32,284	31,905	31,408	31,057	30,771
	1,683	1,628	1,649	1,694	1,716	2,170

**STATE OF MISSOURI
CAPITAL ASSET STATISTICS
BY FUNCTION
FISCAL YEARS 2011-2020**

	2020	2019	2018	2017	2016
General Government					
Parcels of Land	22	23	23	21	21
Land Improvements	70	70	70	61	61
Square Footage of Buildings	1,146,454	1,130,336	1,062,507	1,066,968	1,068,854
Equipment	43,881	41,941	41,961	39,396	36,159
Software	3,123	2,940	2,940	2,717	2,260
Education					
Parcels of Land	31	31	31	31	31
Land Improvements	55	55	55	55	56
Square Footage of Buildings	185,350	165,291	158,235	157,190	156,710
Equipment	5,096	4,211	4,212	4,249	4,357
Trademarks	1	1	1	1	1
Natural and Economic Resources					
Parcels of Land	892	885	888	880	847
Land Improvements	528	476	478	456	427
Temporary Easements	1	1	1	1	1
Square Footage of Buildings	547,595	561,296	583,682	582,846	582,847
Equipment	14,179	14,664	14,671	14,535	15,168
Software	7	318	96	91	80
State Parks and Historic Sites	91	91	91	91	88
State Conservation Areas	1,188	1,217	1,197	1,198	1,190
Transportation and Law Enforcement					
Parcels of Land	612	617	617	620	623
Land Improvements	498	495	495	486	476
Permanent Easements	751	751	719	674	638
Temporary Easements	602	602	593	542	654
Square Footage of Buildings	191,671	189,651	185,777	183,676	181,743
Equipment	72,492	72,773	72,869	72,030	67,114
Software	941	870	870	798	710
Miles of State Highway	33,838	33,838	33,859	33,856	33,873
State-Owned Bridges and Culverts	10,384	10,384	10,385	10,394	10,394
Highway Patrol Stations	9	9	9	9	9
Human Services					
Parcels of Land	71	80	80	81	81
Land Improvements	156	171	171	178	174
Square Footage of Buildings	843,670	862,583	920,530	916,936	917,901
Equipment	34,120	35,441	35,446	36,481	41,777
Software	100	89	89	86	82
Correctional Facilities	28	28	29	29	29

Source: State of Missouri capital asset records by agency.

2015	2014	2013	2012	2011
20	20	20	20	20
59	58	50	40	38
1,032,098	1,035,704	1,014,621	1,006,449	1,013,314
34,548	35,055	36,050	35,651	35,316
1,961	1,625	826	293	213
31	31	31	31	31
54	54	54	46	43
136,074	136,203	140,159	136,465	136,465
5,039	6,286	6,175	6,102	5,984
1	1	1	1	1
835	826	826	826	825
426	408	386	328	324
1	1	1	1	1
574,076	575,485	602,174	611,550	616,729
26,859	34,028	35,159	35,064	36,097
68	57	51	36	20
87	87	87	85	85
1,186	1,189	1,197	1,193	1,196
628	650	682	790	805
474	439	420	349	307
593	548	467	382	254
797	867	875	833	961
179,183	181,880	180,140	175,664	175,138
67,103	66,095	65,813	66,994	67,649
616	529	429	358	202
33,892	33,890	33,885	33,845	33,702
10,376	10,371	10,364	10,405	10,405
9	9	9	9	9
81	81	81	83	83
175	173	168	161	157
926,098	924,164	919,900	900,749	924,380
43,545	44,712	46,221	50,229	63,442
70	59	32	28	13
30	30	30	30	30

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