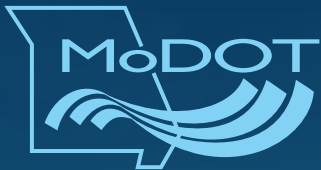


Missouri  
Department of  
Transportation

*An agency of the State of Missouri*

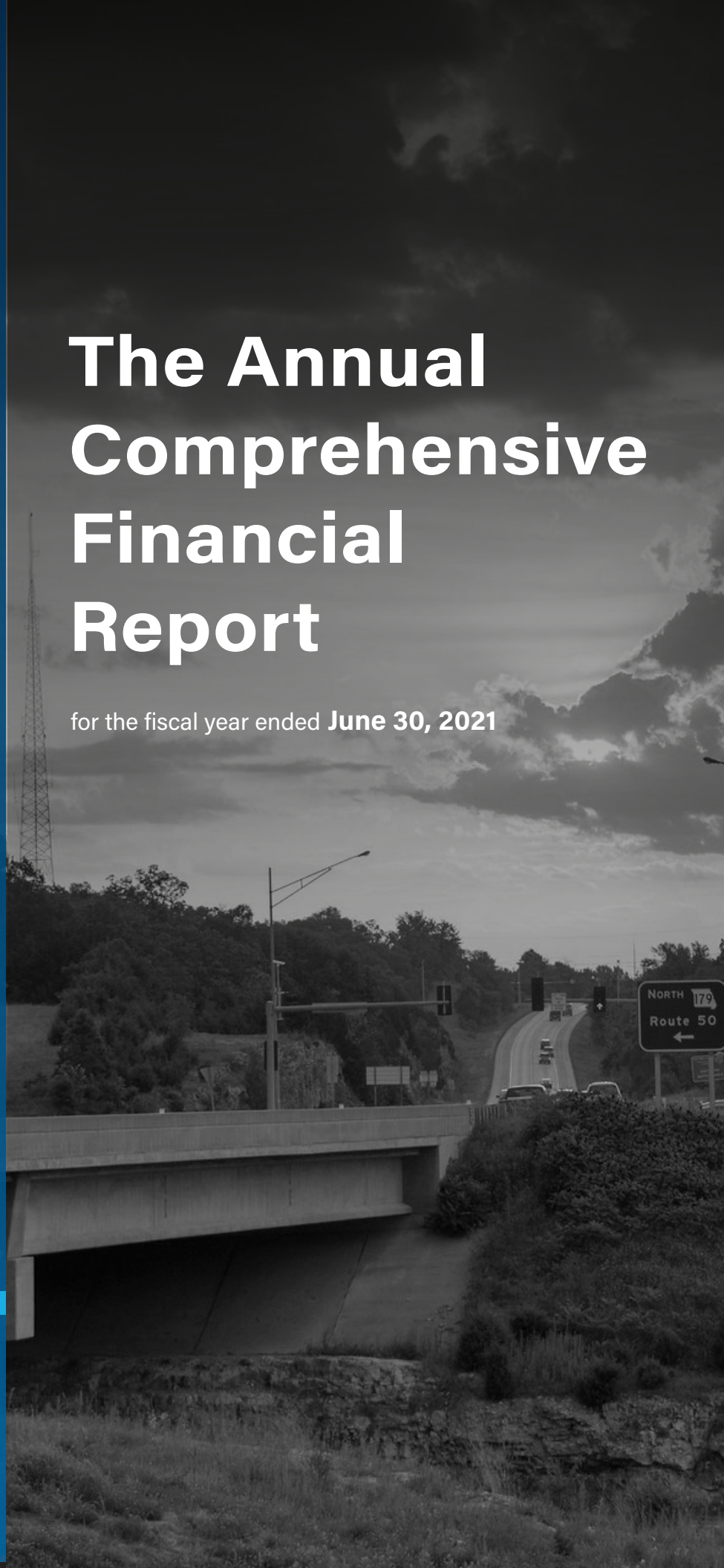


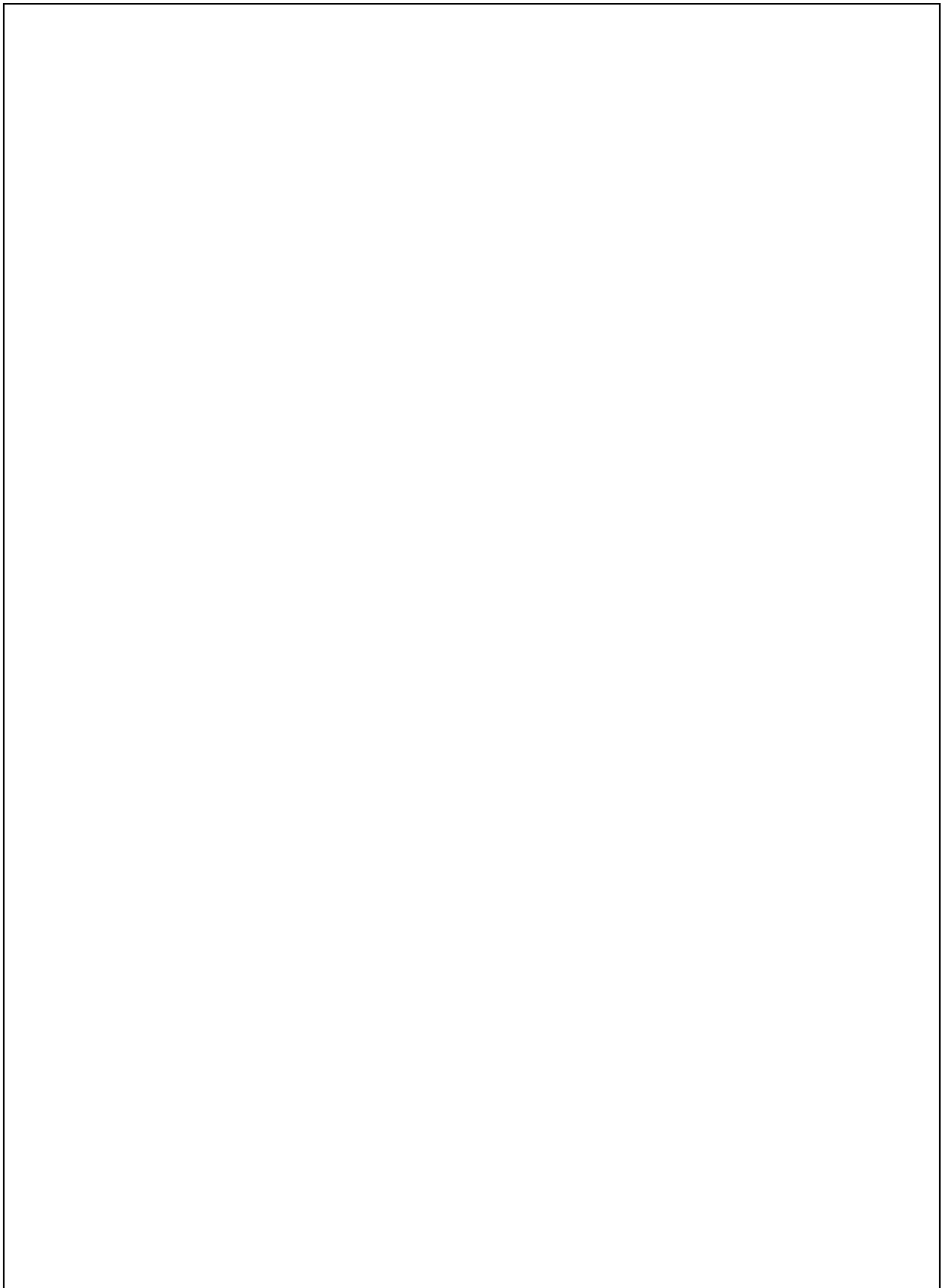
# The Annual Comprehensive Financial Report

for the fiscal year ended **June 30, 2021**



Missouri Department of Transportation  
[www.modot.org](http://www.modot.org)





## Table of Contents

|  | Page |
|--|------|
| <b>Introductory Section</b>  |      |
| Letter of Transmittal  | 7    |
| Principal Officials  | 14   |
| Organizational Chart   | 15   |
| <b>Financial Section</b>   |      |
| Independent Auditors' Report   | 19   |
| Management's Discussion and Analysis   | 24   |
| Basic Financial Statements   |      |
| Government-wide Financial Statements   |      |
| Statements of Net Position   | 38   |
| Statements of Activities   | 39   |
| Fund Financial Statements  |      |
| Governmental Funds   |      |
| Balance Sheets   | 42   |
| Reconciliation of the Governmental Funds Balance Sheets to the Statements of Net Position  | 45   |
| Statements of Revenues, Expenditures and Changes in Fund Balances  | 46   |
| Reconciliation of the Governmental Funds Statements of Revenues, Expenditures and Changes in Fund Balances to the Statements of Activities | 49   |
| Proprietary Funds  |      |
| Statements of Net Position   | 50   |
| Statements of Revenues, Expenses and Changes in Net Position   | 51   |
| Statements of Cash Flows   | 52   |
| Fiduciary Funds  |      |
| Statements of Fiduciary Net Position   | 53   |
| Statements of Changes in Fiduciary Net Position  | 54   |
| Index for the Notes to the Financial Statements  | 57   |
| Required Supplementary Information   |      |
| Budgetary Comparison Schedules – State Highways and Transportation Department Fund   | 90   |
| Budgetary Comparison Schedules – State Road Fund   | 91   |
| Budget Basis to GAAP Reconciliations and Disclosure  | 92   |
| Schedule of Proportionate Share of Net Pension Liability (NPL)   | 93   |
| Schedule of Pension Contributions  | 93   |
| Schedule of Proportionate Share of Total OPEB Liability Last 10 Fiscal Years   | 94   |
| Schedule of Proportionate Share of Total OPEB Contributions Last 10 Fiscal Years   | 94   |
| Schedule of Changes in the Department's Total OPEB Liability and Related Ratios  | 95   |
| Combining Financial Statements   |      |
| Nonmajor Governmental Funds  |      |
| Combining Balance Sheets   | 98   |
| Combining Statements of Revenues, Expenditures and Changes in Fund Balances  | 100  |
| Proprietary Funds – Internal Service   |      |
| Combining Statements of Net Position   | 104  |
| Combining Statements of Revenues, Expenses and Changes in Net Position   | 105  |
| Combining Statements of Cash Flows   | 106  |

# Table of Contents

(continued)

|  | <b>Page</b> |
|--|-------------|
| Budgetary Comparison Schedules and Reconciliations – Debt Service and Nonmajor Governmental Funds  |             |
| Budgetary Comparison Schedule and Reconciliation – State Road Bond Fund  | 108         |
| Budgetary Comparison Schedule and Reconciliation – Multimodal Federal Fund   | 109         |
| Budgetary Comparison Schedule and Reconciliation – State General Revenue Fund  | 110         |
| Budgetary Comparison Schedule and Reconciliation – State Transportation Fund   | 111         |
| Budgetary Comparison Schedule and Reconciliation – Aviation Trust Fund   | 112         |
| Budgetary Comparison Schedule and Reconciliation – State Transportation Assistance Revolving Fund  | 113         |
| Budgetary Comparison Schedule and Reconciliation – Motor Carrier Services (MCS) Federal Fund   | 114         |
| Budgetary Comparison Schedule and Reconciliation – Grade Crossing Safety Fund  | 115         |
| Budgetary Comparison Schedule and Reconciliation – Railroad Expense Fund   | 116         |
| Budgetary Comparison Schedule and Reconciliation – Highway Safety Fund   | 117         |
| Budgetary Comparison Schedule and Reconciliation – Motorcycle Safety Fund  | 118         |
| <br>   |             |
| <b>Statistical Section</b>   |             |
| Index and Overview Statistical Section   | 121         |
| Financial Trends   | 123         |
| Revenue Capacity   | 130         |
| Debt Capacity  | 134         |
| Demographic and Economic Information   | 138         |
| Operating Information  | 143         |
| <br>   |             |
| <b>Other Information</b>   |             |
| Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> – Independent Auditors' Report | 151         |



This page intentionally left blank

# Introductory Section

---



This page intentionally left blank



**Missouri Department of Transportation**  
*Patrick K. McKenna, Director*

1.888.ASK MODOT (275.6636)

September 30, 2021

The Honorable Michael L. Parson, Governor  
Members of the Missouri Legislature  
Members of the Missouri Highways and Transportation Commission  
Citizens of the State of Missouri

The Missouri Department of Transportation (MoDOT or the Department) is pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Department for the fiscal year ended June 30, 2021.

Revised Statutes of Missouri, Section 21.795, require the Department, an agency of the state of Missouri, to have a financial statement audit performed annually by an independent certified public accountant. In fulfillment of this requirement, as well as bond requirements, the Department prepared this ACFR and contracted with the independent auditing firm of RubinBrown, LLP to audit the financial statements.

The objective of the independent audit is to provide reasonable assurance the financial statements are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the Department's financial statements for the fiscal year ended June 30, 2021, are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Their report is presented as the first component in the financial section of this report.

GAAP requires management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This letter of transmittal is designed to complement Management's Discussion and Analysis, which can be found immediately following the report of the independent auditors, and should be read in conjunction with it.

The ACFR comprises all funds from which MoDOT spends including certain other state agencies' spending as allowed by Missouri law. Only MoDOT appropriations are reported for other state of Missouri funds. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Department.

To provide a reasonable basis for making these representations, the Department has established a comprehensive internal control framework designed to protect the Department's assets from loss, theft or misuse and to compile reliable information for the preparation of the financial statements in conformity with GAAP. The Department's internal control includes both automated controls, which are an integral component of the financial accounting system, and comprehensive policies and procedures. In addition, the Department's Audits and Investigations Division is an independent audit unit that performs audits of the various districts and divisions of the Department.

Because the cost of internal controls should not outweigh their benefits, the Department's comprehensive framework of internal control has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatements.

To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds. All disclosures necessary to enable the reader to gain an understanding of the Department's financial activities have been included.



## Profile of the Department

MoDOT works to provide a world-class transportation system that is safe, innovative, reliable and dedicated to a prosperous Missouri. The Department is responsible for designing, building, operating and maintaining Missouri's transportation system - the seventh largest in the United States with approximately 33,830 miles of highway and 10,399 bridges. The Department also works to improve airports, river ports, railroads, public transit systems and pedestrian and bicycle travel.

In 1979, voters of the State passed a constitutional amendment merging the State Highway Department with the Department of Transportation, becoming the Missouri Highways and Transportation Department. In 1996, the Missouri Highways and Transportation Department became the Missouri Department of Transportation by legislative action. The Missouri Highways and Transportation Commission (MHTC or Commission), a six-member bipartisan board, governs the Department. Commission members are appointed by the governor and are confirmed by the Missouri Senate. No more than three commission members may be of the same political party. The Commission appoints the MoDOT director.

The Commission is responsible for the annual update of the Department's five-year Statewide Transportation Improvement Program (STIP) and awards contracts for highway projects. The Commission has authority to issue bonds secured by highway revenues.

As shown on the organizational chart following this letter, the Department is organized by divisions and districts. The divisions represent a variety of disciplines and provide direction and oversight of the activities in the districts and support to the Department. These activities include the design and construction of highways and facilities, transportation planning including the five-year STIP, maintenance and safety of the existing highway system and activities related to other modes of transportation, such as aviation, railways, river ports, freight, transit, and bicycle and pedestrian facilities. The districts represent seven geographical regions of the state of Missouri and are responsible for providing projects and services to the citizens of Missouri.

## Senate Bill 262

The Missouri General Assembly passed Senate Bill 262 during the 2021 legislative session. In July 2021, the Governor signed it into law. This legislation increases the state motor fuel tax beginning with 2.5 cents in October 2021 and increasing by 2.5 cents on July 1 each fiscal year until reaching an additional 12.5 cents per gallon on July 1, 2025. In addition, the legislation increases the fees for alternative fuel decals by 20 percent each fiscal year for five years. A portion of this increase will go to cities and counties. This legislation increases the state motor fuel tax for the first time in 25 years.

## Budgetary Controls

The Commission approves the appropriation request submitted to the State Legislature for all governmental funds reported by MoDOT with the exception of those funds appropriated to other state agencies and to the Office of Administration for certain fringe benefits. The request is developed with input from the districts and divisions. In accordance with article IV, § 30(b), the Commission has the sole discretion to spend moneys in the State Road Fund. In recent history, additional spending authority limitations have been added through the legislative budget process. **These limitations, which could be considered unconstitutional, have reduced the Commission and Department's flexibility to adjust spending due to weather, emergency and market conditions of construction and operations and could, if continued, lead to organizational difficulties fulfilling its mission. In recent years, this budgetary limitation inhibits the Commission from paying market rates to MoDOT staff and has contributed to excessive staff turnover, nearly 60 percent in the past four and a half years. This path is not sustainable.** Other state funds administered by the Commission are subject to appropriation by the General Assembly. All appropriations are approved by the legislature during the legislative session ending in May to be effective in the subsequent budget year.

The Department relies on the statewide accounting system to control total expenditures by appropriation utilizing features in the system to ensure budgetary compliance. An additional budgetary control in place includes management using reports to monitor spending by program, division and appropriation.

## Missouri Economy

Missouri's transportation system impacts the state's economy. Missouri businesses depend on roadways, railways, waterways and airports to move their products and services both nationally and globally. An efficient, well-connected transportation system helps attract new businesses to our communities and helps existing businesses maintain a competitive edge with easy customer access, minimal shipping costs and strong links to a diverse workforce. The Department believes investments in transportation creates jobs and provides opportunities for advancement to all Missouri citizens.

The impact of the global pandemic did not spare transportation in Missouri. Reduced traffic volumes in the early months impacted state transportation revenues and operations. In fiscal year 2021, as the world has begun to operate during the pandemic, the transportation revenues have increased and additional funding has provided an opportunity to invest more funding on transportation.

Missouri employment increased significantly during fiscal year 2021. Per the Missouri Economic and Research Information Center (MERIC), in fiscal year 2021, the unemployment rate decreased to 4.3 percent in June 2021. This compares to an unemployment rate of 7.9 percent in June 2020. Compared to the national trend, the Missouri unemployment rate decreased as did the United States rate, but ended 1.6 percentage points lower in June of 2021 than the national rate of 5.9 percent. Also, per MERIC, employment gains occurred over the previous year in most areas including mining, logging and construction; manufacturing; trade, transportation and utilities; professional and business services; education and health services; leisure and hospitality and government. The one exception was financial activities including real estate and rental and leasing saw employment losses over the previous year. Personal income in the first quarter of 2021 shows significant growth over the previous year at 18.3 percent. Consumer confidence increased in fiscal year 2021 over 2020, which indicates that consumers are more optimistic about the economy than in the previous year; however, consumer confidence still lags behind the index in 2019.

MoDOT contributes to the economy in the areas of job creation, personal income growth and new value added to the economy. Please see the summary chart below for the last five STIPs:

| STIP Year  | Road and Bridge Investment (in millions) | Investment other Modes (in millions) | Total Investment (in millions) | Additional annual jobs created | Average salary per job created | New personal income (in millions) | New value added to the economy (in millions) |
|------------|--|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|-----------------------------------|--|
| 2022-2026  | \$6,692.4                                | \$351.3                              | \$7,043.7                      | 6,124                          | \$60,420                       | \$370.0                           | \$499.0                                      |
| 2020-2024  | \$5,773.1<br>(\$4,620.0 are awards)      | \$390.2                              | \$6,163.3                      | 4,940                          | \$53,846                       | \$266.0                           | \$379.0                                      |
| 2019-2023  | \$5,525.4<br>(\$4,500.0 are awards)      | \$385.2                              | \$5,910.6                      | 4,746                          | \$53,839                       | \$255.5                           | \$363.7                                      |
| 2018-2022  | \$5,608.4<br>(\$4,450.0 are awards)      | \$418.5                              | \$6,026.9                      | 4,578                          | \$55,377                       | \$253.5                           | \$353.2                                      |
| 2017-2021* |  |                                      | \$5,451.5                      | 4,343                          | \$52,452                       | \$227.8                           | \$316.0                                      |
| 2016-2020* |  |                                      | \$3,040.7                      | 2,836                          | \$53,074                       | \$150.5                           | \$188.1                                      |

\*Only total investment is available for this STIP.

These statistics show the impact to the economy by the increased STIP investment.

Federal funds are the largest source of transportation revenue. The Department's share of state fuel tax receipts, the second largest revenue source, decreased 2.9 percent in 2021. The 2021 state fuel tax receipts are less than receipts in 2006, the year with the highest collections. The motor fuel tax rate was last raised in 1996 and is not indexed to keep pace with inflation. Motor vehicle and driver licensing fees increased 12.1 percent from 2020. Vehicle and driver licensing fees, similar to motor fuel taxes, are not indexed to keep pace with inflation. House Bill 499, passed by the legislature in 2019, increased fees, but the entire increase was dedicated to administrative costs of fee offices, with zero added revenue dedicated to transportation funding. Motor vehicle sales tax receipts increased 24.3 percent from 2020. Overall, state revenues for the Department increased 9.3 percent in 2021 compared to 2020.

Federal funding continues to be uncertain. In December 2015, Congress passed the Fixing America's Surface Transportation (FAST) Act, which is a five-year, \$305 billion transportation bill for the nation's transportation projects. Prior to the FAST Act, Congress had not passed a long-term highway authorization act since 2005. The FAST Act is funded with receipts into the Highway Trust Fund, a transfer from the General Fund and additional funding offsets. This five-year bill was set to expire on September 30, 2020; however, Congress took action to provide \$13.6 billion to the Highway Trust Fund and to extend the FAST Act until September 30, 2021. On May 26, 2021, The Senate Committee on Environment and Public Works passed the Surface Transportation Reauthorization Act of 2021 (STRA-21). This act would invest \$304 billion in our nation's highway programs over five years. On June 16, 2021, the Senate Commerce Science and Transportation Committee passed the Surface Transportation Investment Act of 2021 (STIA-21). This act would invest \$78 billion in multimodal and freight, rail, highway and vehicle safety, motor carrier safety, research and innovation and hazardous materials over five years. On July 1, 2021, the House of Representatives passed the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act. This act invests \$547 billion in highway, highway safety, transit and rail programs over five years. On August 10, 2021, the Senate approved a \$1 trillion bipartisan infrastructure bill, the Infrastructure Investment and Jobs Act (IIJA). The legislation includes nearly \$550 million in new spending over the next five years.

While much discussion regarding a reauthorization act has occurred, Congress needs to continue to work on a long-term source of transportation revenue to support the nation's infrastructure needs. In addition, the Highway Trust Fund transportation account balance is expected to decline in the coming months. If IIJA does not pass and no General Revenue transfers are made, reimbursement restrictions will be put in place by the Federal Highway Administration.

### **Construction and Condition of the System**

Missouri's 2022-2026 STIP was approved by the Commission in July 2021. The STIP awards for road and bridge projects total \$5,518.9 million and makes maintaining the existing system a priority in an effort to keep Missouri's transportation system in its current condition. The Missouri legislature in 2000, and Missouri voters in 2004, approved bonding authority that directed MoDOT to sell bonds and use the proceeds to improve roads and bridges. Missouri's major roads went from 47.4 percent in good condition in 2004 to 88.5 percent in December 2012. The improvement during this period can be attributed to debt financing and the impacts of the American Recovery and Reinvestment Act of 2009.

In December 2020, Missouri's major roads were 90.6 percent in good condition. Minor roads with greater than 400 vehicles traveling on them per day was 80.6 percent in good condition as of December 2019, a significant improvement from December 2012 when only 69.3 percent were in good condition. Low volume highways, having less than 400 vehicles traveling on them per day, was 70.3 percent in good condition at December 2019. Perhaps the greatest variation in condition by District exists with low volume roads attributable to extreme weather and flooding. Approximately, 5,416 of 11,440 miles of low volume roads which are funded by MoDOT's operating budget are not eligible for federal reimbursement, because they function to serve the local community rather than to connect communities. In addition, another 1,854 of minor roads are also not eligible for federal reimbursement for a total of 7,270 miles. This places great strain on limited operating budgets and results in local dissatisfaction with inconsistent conditions. Also, as of December 2020, 837 of the 10,399 bridges are in poor condition, which is an improvement over previous years. This improvement is a result of the Governor's Focus on Bridges program to improve 250 bridges around the state.

## Major Projects

Construction began in the spring of 2019 on the I-44 Rebuild Bridge Project which improved 19 bridges along the 30-mile tract of I-44 between Sarcoxie and Halltown. This project replaced 13 bridges and rehabilitated 6 bridges that were deteriorating as part of the original I-44 construction in the 1960s. The project cost \$34.1 million and was completed in November 2020.

The MHTC selected a contractor in August 2018 to replace the bridges within the I-435 and I-70 interchange in the Kansas City area. Improvements included full bridge replacements, removal of left exits, improvements to loop ramp configuration and congestion relief. Construction on the \$47.0 million project began in March 2019 and was completed in December 2020.

During the 2019 legislative session, Governor Parson recommended, and the legislature approved a concurrent resolution to fund 250 bridge projects, bridges that were already programmed for repair or replacement in the current STIP. This program has been titled, Focus on Bridges. The legislation authorized the use of General Revenue to repay the Commission issued debt of \$301.0 million in bonds to repair or replace 215 bridges, contingent on the department receiving funding in the form of a federal Infrastructure for Rebuilding America (INFRA) grant. The bonds will be paid back over a seven-year period. In July 2019, the Department learned that it had been awarded an \$81.2 million INFRA grant. The acceptance of the grant in October 2019 triggered the first issuance of bonds for this program. The second issuance is anticipated in November of 2021. In addition, the legislature appropriated \$50.0 million of General Revenue to address additional bridges. Through fiscal year 2021, 124 bridges have been replaced or rehabilitated and are opened to traffic. The program is expected to be completed by December 2023.

MoDOT is replacing the I-44 bridges over the Meramec River in the St. Louis area. The project was awarded in June 2018 for \$51.1 million and is expected to be completed in the spring of 2022.

The MHTC selected a contractor for the Bootheel Bridge Bundle project in August 2020. This project will replace or rehabilitate 17 bridges, 13 of which are included in the Focus on Bridges Program, for an estimated budget of \$25.5 million. The project is expected to be completed by December 2023.

The I-270 North Project, costing \$278.0 million, will address safety, congestion and system condition issues on I-270 north and the outer roads between US 67 (Lindbergh Boulevard) and Bellefontaine Road. A design-build team selected a contractor in November 2019 and construction began in the spring of 2020. The project is expected to be completed by December 2023.

The Fixing Access to Rural Missouri (FARM) Bridge Program will replace a total of 31 bridges in Northern Missouri. The project was awarded in May 2020, the estimated budget is \$26.0 million and is expected to be completed in October 2023.

The I-70 INFRA Discretionary Grant improvements to the Rocheport Bridge and Mineola Hill has begun. The Mineola Hill project to add climbing lanes to I-70 in the area of Mineola Hill to help accommodate slower traffic on the hills cost \$14.4 million and was completed in June of 2021. The Rocheport Bridge replacement with a budget of \$240.0 million budget was awarded in July 2021. This project replaces one interstate bridge over the Missouri River near Rocheport, Missouri with two new bridges. The project is expected to be completed by December 2024.

In February 2021, the Buck O'Neil Bridge replacement and interchange improvements was awarded. The project's budget totals \$257.9 million with \$72.5 million provided by the City of Kansas City along with a \$25.0 million Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grant obtained by the City. Construction started in August 2021 and is anticipated to be completed in December 2024.

The I-70 Cave Springs to Fairgrounds in St. Charles County project will provide connectivity, safety and efficiency improvements to four miles of the I-70 network at an estimated budget of \$62.4 million. The project is expected to be awarded in February 2022 with an anticipated completion date of June 2024.

The I-44 Corridor Bridge Bundle project will improve at least 17 and possibly up to 32 poor condition bridges on or adjacent to the I-44 corridor. The project has an estimated budget of \$38.5 million, is expected to be awarded in January 2022 and has an anticipated completion date of November 2024.

The Chester Bridge over the Mississippi River will be replaced. A design-build team will be selected in the fall of 2021. The estimated cost of the project is \$189.0 million and the project is expected to be completed in the fall of 2024.

### **Major Operation Challenges**

The Department has faced some challenges in the last few years. As mentioned previously, additional spending authority limitations have been added through the legislative budget process. These limitations have reduced the Commission and Department's flexibility to adjust spending due to weather, emergency and market conditions of construction and operations and could, if continued, lead to organizational difficulties fulfilling its mission. In addition, in the last 18 months, the world has been responding to a global pandemic and the effect that has had on the economy and the specific impacts on how the Department conducts business. The Department has had to review all of its operations to ensure social distancing occurs when possible. The state of Missouri saw significant decreases in traffic volumes in April and May of 2020, which initially reduced the Department's revenue streams. During fiscal year 2021, motor fuel tax remained lower than previous recent years' collections; however, the other sources of state revenue increased significantly.

Despite these challenges, the department continues to try and address issues with employee pay. MoDOT's employee turnover rate for fiscal year 2021 was 13.16 percent, up from 12.57 percent in fiscal year 2020. The estimated cost of turnover, which includes hard costs, soft costs and leave payouts, for fiscal year 2021 was \$37.2 million, up from \$36.4 million in fiscal year 2020. The Commission and the department continue to explore options to address issues with employee pay including modifying the salary structure to optimize it and be more competitive with market; establishing market competitive midpoints for all salary ranges; and advancing employees toward that midpoint more quickly based on tenure. More work is needed in this area to mitigate salary compression issues, improve employee satisfaction and morale, increase retention, improve recruitment and reduce costs associated with employee turnover.

The combination of an increase in the motor fuel tax rate and the potential increase with the next federal reauthorization will result in a significantly larger construction program. This increased investment is welcomed; however, the challenge with hiring and retaining the needed staff to manage this larger construction program and to maintain the infrastructure asset once it is built will be the challenge the department faces for the next several years.

### **Long-term Financial Planning**

The Department's 2022 budget, \$3.2 billion, approved by the Commission in June, is approximately \$77.4 million less than the Department's 2021 budget, primarily because of reductions to the previous year's budget for amount spent for the Focus on Bridges Program. The construction program has grown over the last several years to ensure all federal funds allocated to Missouri are invested in the transportation system. As the multi-year FAST Act expired September 30, 2021 and the nation is currently operating under a continuing resolution, the federal funds reimbursement risk that Missouri and all states face will begin to increase. Based on estimates, starting in early federal fiscal year 2022, a gap exists between the current federal funding provided to states and the Highway Trust Fund revenues. In the coming years despite this increase in risk, the construction program is expected to remain stable as the Department spends down the cash balance in the State Road Fund to fully match the federal funds allocated to Missouri. This projection is entirely dependent upon congressional action to reauthorize the FAST Act and provide associated funding. Should Congress pass IJA, along with state revenue from Senate Bill 262, the 2023-2027 STIP could see a significant increase. The funds spent will be focused on maintaining the current transportation system with some targeted investment.

### **Other Information**

The Department is required to undergo an annual Single Audit in accordance with the provisions of the Single Audit Act Amendments of 1996 and the Office of Management and Budget published 2 CFR (Code of Federal Regulations) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The Department's information will be included in the state of Missouri's Single Audit for the fiscal year ended June 30, 2021.

### **Acknowledgements**

This ACFR is published to demonstrate our intention to maintain the highest quality standards of public accountability. This report could not have been prepared without the dedicated efforts of MoDOT employees. The commitment and professionalism of the Financial Services Division staff contributed significantly to the timely preparation of the 2021 report.

Respectfully submitted,



Patrick K. McKenna  
Director



Brenda Morris, CPA  
Chief Financial Officer

## Principal Officials

as of June 30, 2021

### **Commission**

---

|                                     |            |
|-------------------------------------|------------|
| Michael T. Waters, Jr. <sup>1</sup> | Chairman   |
| John W. Briscoe                     | Vice Chair |
| Robert G. Brinkmann <sup>2</sup>    | Member     |
| Gregg C. Smith                      | Member     |
| Terry L. Ecker                      | Member     |
| W. Dustin Boatwright                | Member     |
| Pamela Harlan                       | Secretary  |

### **MoDOT**

---

|                             |   |
|-----------------------------|---|
| Patrick K. McKenna          | Director                                  |
| Ed Hassinger                | Deputy Director/Chief Engineer            |
| Eric Schroeter              | Assistant Chief Engineer                  |
| Lester Woods                | Chief Administrative Officer              |
| Brenda Morris               | Chief Financial Officer                   |
| Becky Allmeroth             | Chief Safety and Operations Officer       |
| Rich Tiemeyer               | Chief Counsel                             |
| Misty Volkart               | Audits and Investigations Director        |
| Dennis Heckman <sup>3</sup> | State Bridge Engineer                     |
| David Ahlvers               | State Construction and Materials Engineer |
| Linda Wilson-Horn           | Communications Director                   |
| Travis Koestner             | State Design Engineer                     |
| Rudy Nickens                | Equal Opportunity and Diversity Director  |
| Melissa Stuedle             | External Civil Rights Director            |
| Todd Grosvenor              | Financial Services Director               |
| Ben Reeser                  | General Services Director                 |
| Jay Wunderlich              | Governmental Relations Director           |
| Stephen Meystrik            | Human Resources Director                  |
| Beth Ring                   | Information Systems Director              |
| Natalie Roark               | State Maintenance Director                |
| Jerica Holtsclaw            | Motor Carrier Services Director           |
| Michelle Kratzer            | Multimodal Operations Director            |
| Nicole Hood                 | State Highway Safety and Traffic Engineer |
| Eric Curtit                 | Transportation Planning Director          |

### **Districts**

---

|                  |                               |
|------------------|-------------------------------|
| Marty Liles      | Northwest District Engineer   |
| Paula Gough      | Northeast District Engineer   |
| Chris Redline    | Kansas City District Engineer |
| Machelle Watkins | Central District Engineer     |
| Tom Blair        | St. Louis District Engineer   |
| Steve Campbell   | Southwest District Engineer   |
| Mark Croarkin    | Southeast District Engineer   |

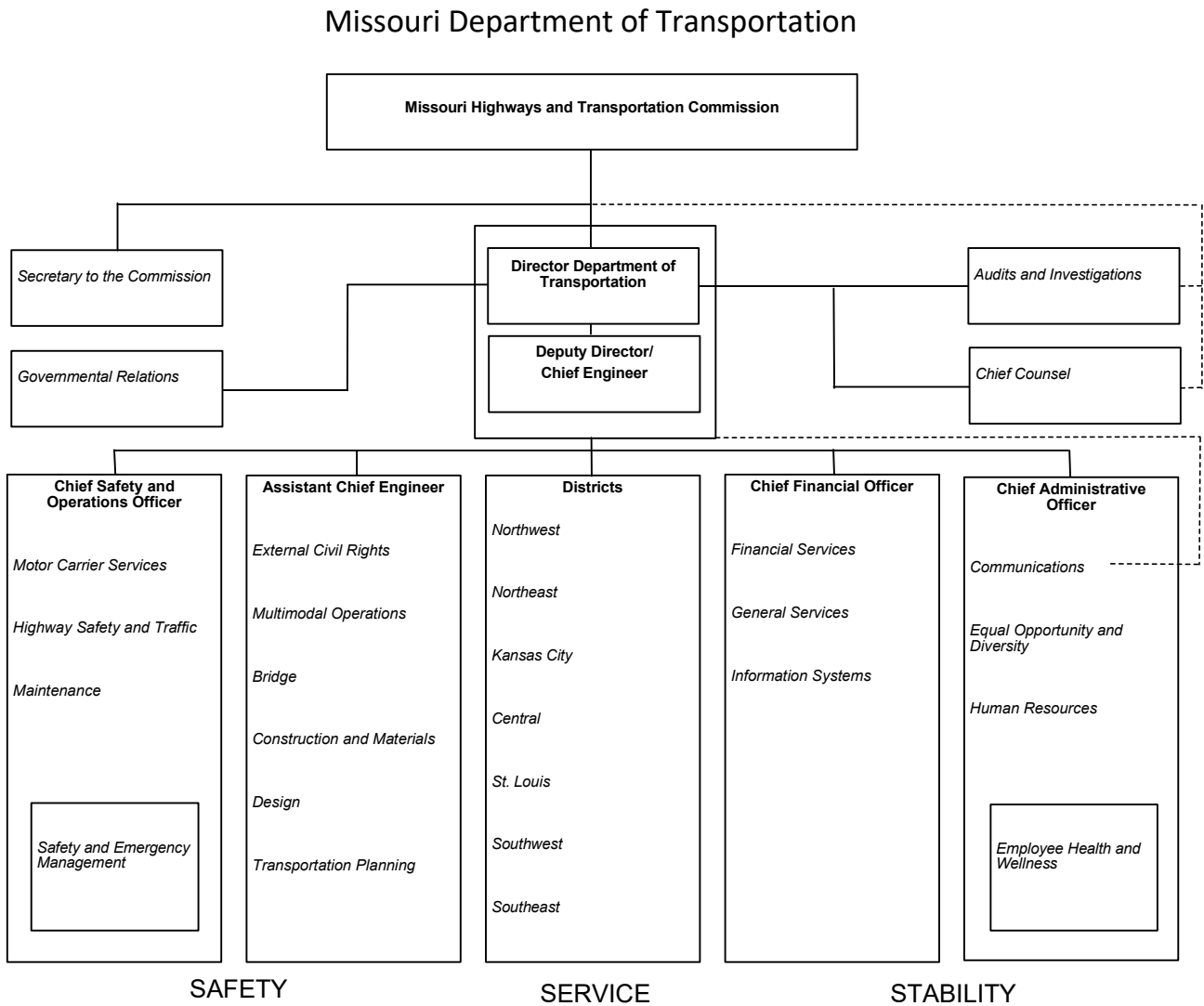
<sup>1</sup> Michael T. Waters Jr. resigned as Chairman effective September 9, 2021.

<sup>2</sup> Robert G. Brinkmann became Chairman effective September 9, 2021.

<sup>3</sup> Bryan Hartnagel became the State Bridge Engineer effective August 1, 2021.

# Organizational Chart

June 30, 2021







This page intentionally left blank

# Financial Section

---



This page intentionally left blank

## Independent Auditors' Report

Missouri Highways and Transportation Commission  
Missouri Department of Transportation  
Jefferson City, Missouri

### Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Missouri Department of Transportation (the Department) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Department'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.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Missouri Department of Transportation as of June 30, 2021, 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.

### ***Financial Reporting Entity***

As discussed in Note 1, the financial statements of the Missouri Department of Transportation are intended to present the financial position, the changes in financial position and cash flows, where applicable, of only that portion of the governmental activities, each major fund and the aggregate remaining fund information of the state of Missouri that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the state of Missouri as of June 30, 2021 and 2020, and the changes in its financial position and cash flows, where applicable, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Emphasis Of A Matter Relating To Restatement***

As part of our audit of the 2021 financial statements, we also audited the adjustments described in Note 14 that were applied to restate the 2020 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2020 financial statements of the Department other than with respect to the adjustments, and accordingly, we do not express an opinion or any other form of assurance on the 2020 financial statements as a whole.

### ***Other Matters***

#### ***2020 Financial Statements***

The financial statements of the Department as of and for the year ended June 30, 2020, before the restatement described in Note 14, were audited by other auditors whose report dated September 30, 2020 expressed an unmodified opinion on those statements.

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 24 through 36, the Budgetary Comparison Schedules on pages 90 through 92, the Schedule of Proportionate Share of Net Pension Liability and the Schedule of Pension Contributions on page 93, the Schedule of Proportionate Share of Total Other Post-Employment Benefit Liability and the Schedule of Proportionate Share of Total Other Post-Employment Benefit Contributions on page 94 and the Schedule of Changes in the Department's Total Other Post-Employment Benefit Liability and Related Ratios on page 95 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 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.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The combining financial statements, the budgetary comparison schedules and reconciliations - debt service and nonmajor governmental funds and the introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing 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*, we have also issued our report dated September 30, 2021 on our consideration of the Department'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. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

*RubinBrown LLP*

September 30, 2021



This page intentionally left blank

# Management's Discussion and Analysis

---



## Management's Discussion and Analysis

The following section of our annual financial report presents our discussion and analysis of the Department's (or MoDOT's) financial performance during the year. It is intended to assist you in understanding how the various statements relate to each other and provide an objective and easily readable analysis of the Department's financial activities based on currently known facts, decisions and conditions. We encourage readers to consider the information presented here in conjunction with the letter of transmittal included in the introductory section and information presented in the Department's financial statements and notes, which follow this section. The Department implemented the Government Accounting Standards Board (GASB) Statement 84, *Fiduciary Activities* in fiscal year 2020. No other new GASB standards with financial statement impact were applicable to MoDOT for fiscal year 2021.

### FINANCIAL HIGHLIGHTS

#### Government-wide Highlights

- The net position of the Department at the close of the fiscal year was \$29.9 billion compared to \$28.9 billion (as restated) at 2020. The Department's net position increased \$980.2 million, or 3.4 percent, for fiscal year 2021 from 2020. This is compared to an increase of \$697.3 million (as restated), or 2.5 percent, for fiscal year 2020 from 2019. The increase in net position can be attributed to higher cash and cash equivalents balance and an increase in capital assets. Of the fiscal year 2021 and 2020 amounts, \$0.2 billion and \$0.5 billion (as restated), respectively, are negative unrestricted amounts which are offset by the department's investment in capital assets. The negative unrestricted net position of the governmental activities first occurred when the Department adopted GASB 68 and GASB 71 in fiscal year 2015 requiring the Department to report its proportionate share of the net pension liability. In fiscal year 2018, the Department adopted GASB 75, which required the Department to report its share of the other postemployment benefit (OPEB) liability. The addition of the net pension and total OPEB liabilities results in the Department reporting negative unrestricted net position.
- The majority of the Department's assets are capital assets, which totaled \$31.5 billion and \$31.1 billion for fiscal years 2021 and 2020, respectively. This represents a 1.3 percent increase for 2021 from 2020 and a 1.4 percent increase for 2020 from 2019. The increase in capital assets is attributed to a larger construction program. Average construction awards have grown from \$382.0 million in the 2016-2020 Statewide Transportation Improvement Program (STIP) to \$1.1 billion in the 2022-2026 STIP.
- Non-current liabilities of the Department at the close of both fiscal year 2021 and 2020 total \$3.3 billion. In fiscal year 2021, noncurrent financing and other obligations decreased \$253.4 million because of scheduled debt repayments. This reduction was offset by an increase of \$196.9 million for the OPEB liabilities due to a lower discount rate used in the actuarial estimates.

#### Fund Highlights

- At the close of the fiscal year, the Department's governmental funds combined ending fund balance is \$1.5 billion for fiscal years 2021 compared to \$1.1 billion for fiscal year 2020 and \$0.9 billion for fiscal year 2019.
- For fiscal year 2021, 97.3 percent of the Department's governmental fund balance is available for spending at the Department's discretion in accordance with the purpose of the funds compared to 96.9 percent (as restated) in fiscal year 2020. The nonspendable fund balance related to inventories increased from \$36.2 million in fiscal year 2020 to \$41.9 million in fiscal year 2021.
- The proprietary funds combined net position is \$90.7 million at the close of the fiscal year, compared to \$97.8 million in 2020. Restricted investments at the close of both years totaled \$0.3 million, resulting in unrestricted net position of \$90.4 million and \$97.5 million for fiscal years 2021 and 2020, respectively. The decrease in the net position of the proprietary funds can be attributed to an increase in the dollar amount of highway general liability and fleet liability claims and the change in the self insurance incurred but not reported claims.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the Department's basic financial statements, which include three components: (1) **government-wide financial statements**, (2) **fund financial statements** and (3) **notes to the financial statements**. This section also contains required supplementary information and combining financial statements.

## **Government-wide Financial Statements (Reporting the Department as a Whole)**

The government-wide financial statements are designed to provide readers an overall picture of the Department's financial position. The statements provide both current and noncurrent information about the Department's financial status, which assists the reader in assessing the Department's economic condition at the end of the fiscal year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting, which are similar to methods followed by most private-sector businesses. These statements take into account all of the current year's revenues and expenses, even if the related cash has not been received or paid. The government-wide financial statements include two statements: The Statements of Net Position and the Statements of Activities. These statements take a much longer view of the Department's finances than do the fund-level statements.

- The *Statements of Net Position* combine and consolidate all of the Department's assets and deferred outflows and liabilities and deferred inflows, except fiduciary funds, with the difference between the two reported as "net position". This includes current financial resources, capital assets and long-term obligations. Over time, increases or decreases in net position indicate whether the Department's financial health is improving or deteriorating, respectively. Fiduciary fund resources are not reported as they are not available to support Department programs.
- The *Statements of Activities* present information showing how the Department's net position changed during the fiscal year. The Department reports changes in net position as soon as the event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statements for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The Department's basic services are reported as governmental activities, including administration; fleet, facilities and information systems; safety and operations; program delivery; other modal systems; and other activities. Taxes, fees and federal grants finance most of these activities.

This report includes two schedules that reconcile the amounts reported on the governmental fund financial statements (prepared using the modified accrual basis of accounting and current financial resources measurement focus) with the governmental activities on the appropriate government-wide statements (prepared using the accrual basis of accounting and economic resources measurement focus). The following summarizes the impact of utilizing GASB Statement 34 reporting:

- Other long-term assets that are not available to pay for current period expenditures are not reported on governmental fund statements.
- Internal service fund activities are reported as governmental activities on the government-wide statements, but reported separately as proprietary funds in the fund financial statements.
- Unless currently due and payable, long-term liabilities, such as capital lease obligations, compensated absences and others, appear as liabilities only on the government-wide statements.
- Capital outlay spending results in capital assets on the government-wide statements, but is reported as expenditures on the governmental fund statements.
- Bond, note and capital lease issuances result in liabilities on the government-wide statements, but are recorded as other financing sources on the governmental fund statements.
- Certain other outlays represent either increases or decreases in liabilities on the government-wide statements, but are reported as expenditures on the governmental fund statements.

In addition, deferred inflows and outflows of resources are related to transactions that have occurred, but are not yet recognized in the financial statements as revenues or expenses, are also included in these schedules.

## **Fund Financial Statements (Reporting the Department's Major Funds)**

The fund financial statements provide detailed information about the major individual funds. A fund is an accounting entity with a self-balancing set of accounts the Department uses to keep track of specific sources of funding and spending for a particular purpose. The Department, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal and contractual requirements. All of the funds of the Department can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. It is important to note these fund categories use different accounting approaches and should be interpreted differently.

- **Governmental Funds** Most of the basic services provided by the Department are reported in governmental funds. Reporting focuses on how financial resources flow in and out of the funds and amounts remaining at year-end for future spending. Governmental funds are accounted for using the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash. These statements provide a detailed short-term view of the Department's general governmental operations and the basic services it provides. This information should help determine whether there are more or less current financial resources available for the Department's current needs. Because the focus of governmental fund financial statements is narrower than that of government-wide financial statements, it is useful to compare these statements with the governmental activities information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund Balance Sheets and the governmental fund Statements of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate a comparison between governmental funds and governmental activities in the government-wide statements. These reconciliations are presented on the page immediately following the governmental fund financial statements.

The Department reports three major governmental funds. Information is presented separately in the governmental funds Balance Sheets and the governmental funds Statements of Revenues, Expenditures and Changes in Fund Balances for the State Highways and Transportation Department Fund (Highway Fund), the State Road Fund (Road Fund) and the State Road Bond Fund. The Highway and Road funds are special revenue funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The State Road Bond Fund is a debt service fund, which was constitutionally established to receive monies from the state's motor vehicle sales tax and is used to fund the repayment of bonds. Data from other funds are combined into a single, aggregated presentation as nonmajor governmental funds. Examples of the nonmajor funds include statutorily established funds for multimodal activities. Individual fund data for each of these nonmajor governmental funds is provided within combining financial statements following the Notes to the Financial Statements.

- **Proprietary Funds** When the Department charges customers for some of the services it provides, whether to outside customers, other agencies, or to units within the Department, these funds are reported in proprietary funds. These funds are used to show activities that operate more like those found in the private sector and utilize full accrual accounting, like the government-wide statements.

The Department has two internal service funds: Missouri Highways and Transportation Commission (MHTC) Self Insurance Plan and the MoDOT and Missouri State Highway Patrol (MSHP) Medical and Life Insurance Plan. Individual data for each of these funds is provided within the combining financial statements following the Notes to the Financial Statements. Internal service fund activities are reported as governmental activities on the government-wide statements with eliminations made to remove the effect of the interfund activity.

- **Fiduciary Funds** Fiduciary funds are used to account for resources held for the benefit of parties outside the Department. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Department's activities. These fiduciary funds account for monies held on behalf of various political subdivisions and other interested parties.

## Notes to the Financial Statements

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements, which discuss particular accounts in more detail, can be found immediately following the Statement of Changes in Fiduciary Net Position.

## Required Supplementary Information

A section of *Required Supplementary Information* follows the Notes to the Financial Statements. This section includes budgetary comparisons and a separate reconciliation between the fund balances for budgetary purposes and the fund balances as presented for the major special revenue funds in the governmental fund financial statements. The Budgetary Comparison has been provided for the Department's two major special revenue funds to demonstrate compliance with this budget. The legal authority for approval of the Department's budget and amendments for all funds, except the Road Fund, rests with the State Legislature. The authority for the Road Fund rests with the Commission.

Also included are schedules that report information about the pension plan and OPEB liability, contributions and the funding progress of the MoDOT and MSHP Medical and Life Insurance Plan.

## Combining Statements

The *Combining Statements* section presents statements reporting individual and total columns for nonmajor governmental funds and proprietary (internal service) funds. This information is presented only in summary form in the basic financial statements.

## Budgetary Comparison Schedules and Reconciliations

The *Budgetary Comparison Schedules and Reconciliations* section includes budgetary comparisons and reconciliations between the fund balances for budgetary purposes and the fund balances as presented for the major debt service and nonmajor special revenue funds in the governmental fund financial statements. The legal authority for approval of these budgets and amendments rests with the State Legislature.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statements of Net Position

As noted earlier, net position may serve over time as a useful indicator of the Department's financial health. The following tables, graphs and analyses discuss the financial position and changes in financial position for the Department as a whole as of and for the fiscal years ended June 30, 2021, 2020 and 2019. The Department's combined net position increased \$980.2 million over the course of this fiscal year's operations, an increase of 3.4 percent. This compares to an increase of \$697.3 million in 2020 (as restated) from 2019.

The following table reflects the condensed financial information derived from the Statements of Net Position as of June 30, 2021, 2020 and 2019:

| (Amounts in millions)   | <u>2021</u>     | <u>2020</u><br>(as restated) | <u>2019</u><br>(as restated) | <u>Percent<br/>Change<br/>2021-2020</u> |
|---|-----------------|------------------------------|------------------------------|---|
| <b>Assets</b>   |                 |                              |                              |   |
| Current and other assets  | \$ 1,936        | \$ 1,519                     | \$ 1,239                     | 27.5%                                   |
| Capital assets, net   | <u>31,537</u>   | <u>31,118</u>                | <u>30,700</u>                | <u>1.3</u>                              |
| <b>Total assets</b>   | <u>33,473</u>   | <u>32,637</u>                | <u>31,939</u>                | <u>2.6</u>                              |
| <b>Deferred Outflows of Resources</b>   |                 |                              |                              |   |
| Deferred bond refunding   | 12              | 19                           | 28                           | (36.8)                                  |
| Pension related items   | 238             | 183                          | 204                          | 38.8                                    |
| Other postemployment benefits   | <u>162</u>      | <u>17</u>                    | <u>17</u>                    | <u>852.9</u>                            |
| <b>Total deferred outflows of resources</b>   | <u>412</u>      | <u>219</u>                   | <u>249</u>                   | <u>95.4</u>                             |
| <b>Liabilities</b>  |                 |                              |                              |   |
| Current liabilities   | 590             | 515                          | 456                          | 14.6                                    |
| Noncurrent liabilities  | <u>3,306</u>    | <u>3,277</u>                 | <u>3,389</u>                 | <u>0.9</u>                              |
| <b>Total liabilities</b>  | <u>3,896</u>    | <u>3,792</u>                 | <u>3,845</u>                 | <u>2.7</u>                              |
| <b>Deferred Inflows of Resources</b>  |                 |                              |                              |   |
| Deferred bond refunding   | 1               | 1                            | 1                            | ---                                     |
| Pension obligations   | 10              | 32                           | 43                           | (18.8)                                  |
| Other postemployment benefits   | <u>108</u>      | <u>142</u>                   | <u>107</u>                   | <u>(23.9)</u>                           |
| <b>Total deferred inflows of resources</b>  | <u>119</u>      | <u>175</u>                   | <u>151</u>                   | <u>(22.9)</u>                           |
| <b>Net Position</b>   |                 |                              |                              |   |
| Net Investment in capital assets  | 30,081          | 29,429                       | 29,025                       | 2.2                                     |
| Restricted (internal service fund requirements set<br>by legislation and highways and transportation uses)* | ---             | ---                          | ---                          | ---                                     |
| Unrestricted  | <u>(211)</u>    | <u>(540)</u>                 | <u>(833)</u>                 | <u>(60.9)</u>                           |
| <b>Total net position</b>   | <u>\$29,870</u> | <u>\$28,889</u>              | <u>\$28,192</u>              | <u>3.4%</u>                             |

\*Due to rounding Restricted Net Position does not show on this table.

The total assets of the Department were \$33.5 billion with deferred outflows of resources of \$411.9 million, while total liabilities were \$3.9 billion, with deferred inflows of resources of \$118.7 million, resulting in a net position of \$29.9 billion. Total assets increased \$835.1 million in 2021, compared to a \$697.9 million increase in 2020 (as restated) from 2019. Cash and cash equivalents increased \$415.5 million in fiscal year 2021 for a combination of reasons. During fiscal year 2021, the Department received \$206.0 million in federal funding from the Highway Infrastructure Programs - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) for reimbursement of scheduled debt service payments. Also in fiscal year 2021, adjustments were made to change the funding source of certain highway patrol salaries in the State Highways and Transportation Department Fund to the Office of Administration's CARES Act fund, which increased cash in this fund by \$44.3 million. Additionally, the cash deposits in the Local Fund increased \$76.8 million compared to the previous fiscal year. The Local Fund holds monies deposited by cities and counties for work they would like to do in conjunction with work the department is doing or for the local entities' portion of the costs of the project being completed. As expenditures are made for the projects out of the State Road Fund, the money is transferred out of the Local Fund to reimburse the State Road Fund. The increase in Local Fund deposits is primarily due to a deposit of \$72.5 million by the City of Kansas City in July 2020 for the Buck O'Neil Bridge replacement and road improvement project. Capital assets increased \$418.6 million in fiscal year 2021 due to a larger construction program.

Total liabilities increased \$103.8 million in 2021, compared to a \$53.3 million decrease in 2020 (as restated) from 2019. The increase in total liabilities in 2021 is primarily due to changes in actuarial estimates for pension and OPEB liabilities. The liability for unearned revenue also increased in fiscal year 2021 due to the increase in cash deposits in the Local Fund discussed above. Until the expenditures are transferred from the Local Fund to the State Road Fund for project expenditures, the cash deposits represent an unearned revenue liability to the department. The decrease in total liabilities in 2020 is due to debt being less as bonds are paid off.

The largest portion of the Department's net position, \$30.1 billion, is the investment in capital assets (i.e., land, buildings, equipment, infrastructure and other) less any related debt outstanding needed to acquire or construct the asset. The Department uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. The negative unrestricted net position of the governmental activities first occurred when the Department adopted GASB 68 and GASB 71 in fiscal year 2015 requiring the Department to report its proportionate share of the net pension liability. In fiscal year 2018, the Department adopted GASB 75, which required the Department to report its share of the other postemployment benefit (OPEB) liability. The addition of the net pension and total OPEB liabilities results in the Department reporting negative unrestricted net position.

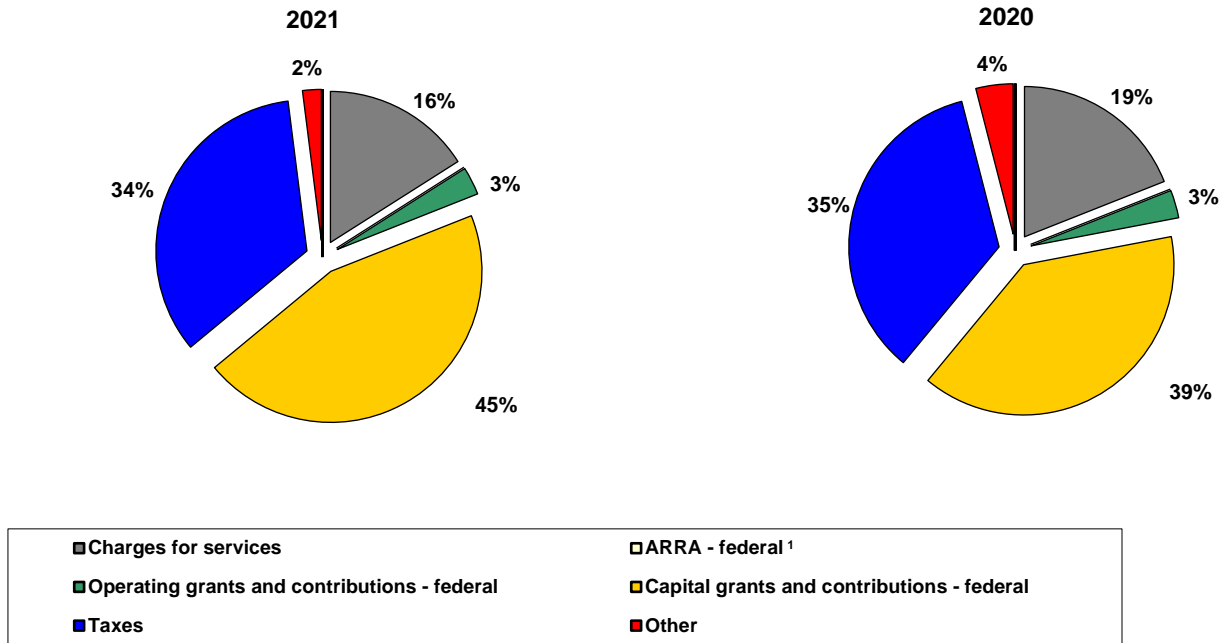
**Statements of Activities**

The following condensed financial information was derived from the government-wide Statements of Activities and reflects how the Department's net position changed during the year, compared to the prior years. The information is for the fiscal years ended June 30, 2021, 2020 and 2019:

| (Amounts in millions)  | <u>2021</u>     | <u>2020</u><br>(as restated) | <u>2019</u><br>(as restated) | <b>Percent<br/>Change<br/>2021-2020</b> |
|--|-----------------|------------------------------|------------------------------|---|
| <b>Revenues</b>  |                 |                              |                              |   |
| Program revenues   |                 |                              |                              |   |
| Charges for services   | \$ 452          | \$ 470                       | \$ 434                       | (3.8)%                                  |
| American Recovery and Reinvestment Act                         | 12              | 12                           | 12                           | 0.0                                     |
| Operating grants and contributions – federal government        | 92              | 74                           | 80                           | 24.3                                    |
| Capital grants and contributions – federal government          | 1,253           | 974                          | 874                          | 28.6                                    |
| General revenues   |                 |                              |                              |   |
| Taxes  | 948             | 874                          | 876                          | 8.5                                     |
| Investment earnings (loss)                                     | 1               | 26                           | 30                           | (96.2)                                  |
| Miscellaneous  | 53              | 68                           | 5                            | (22.1)                                  |
| <b>Total revenues</b>  | <u>2,811</u>    | <u>2,498</u>                 | <u>2,311</u>                 | <u>12.5</u>                             |
| <b>Expenses</b>  |                 |                              |                              |   |
| Program expenses   |                 |                              |                              |   |
| Administration   | 1               | 11                           | 14                           | (90.9)                                  |
| Fleet, facilities and information systems                      | 33              | 31                           | 33                           | 6.5                                     |
| Safety and operations  | 340             | 360                          | 356                          | (5.6)                                   |
| Program delivery   | 177             | 185                          | 196                          | (4.3)                                   |
| Multimodal operations  | 95              | 86                           | 93                           | 10.5                                    |
| Interest on debt   | 63              | 67                           | 75                           | (6.0)                                   |
| Other state agencies   | 188             | 212                          | 229                          | (11.3)                                  |
| Self insurance (workers' compensation and liability)           | 28              | 13                           | 12                           | 115.4                                   |
| Medical and life insurance                                     | 150             | 141                          | 135                          | 6.4                                     |
| Pension  | 128             | 108                          | 86                           | 18.5                                    |
| Other postemployment benefits                                  | 35              | 19                           | 29                           | 84.2                                    |
| Depreciation on assets   | 592             | 568                          | 546                          | 4.2                                     |
| <b>Total expenses</b>  | <u>1,830</u>    | <u>1,801</u>                 | <u>1,804</u>                 | <u>1.6</u>                              |
| <b>Changes in net position</b>                                 | 981             | 697                          | 507                          | 40.7                                    |
| <b>Net position, beginning of year, as previously reported</b> | 28,889          | 28,192                       | 27,677                       | 2.5                                     |
| <b>Restatement of net position</b>                             | ---             | ---                          | 8                            | ---                                     |
| <b>Net position, beginning of year, as restated</b>            | <u>28,889</u>   | <u>28,192</u>                | <u>27,685</u>                | <u>2.5</u>                              |
| <b>Net position, end of year</b>                               | <u>\$29,870</u> | <u>\$28,889</u>              | <u>\$28,192</u>              | <u>3.4%</u>                             |

### Governmental Activities

The following chart depicts revenues of the governmental activities, as a percent, for the fiscal years ended June 30, 2021 and 2020:



<sup>1</sup>ARRA – federal revenues made up less than 1.0 percent of total revenues for fiscal years 2021 and 2020.

Revenues for the year increased \$312.2 million compared to an increase of \$186.4 million in 2020 (as restated) from 2019. Federal grants revenue, including capital grants and contributions, increased \$297.1 million from fiscal year 2020. The increase in federal revenue is attributed to receiving funding from the Highway Infrastructure Programs - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) passed by Congress in December 2020.

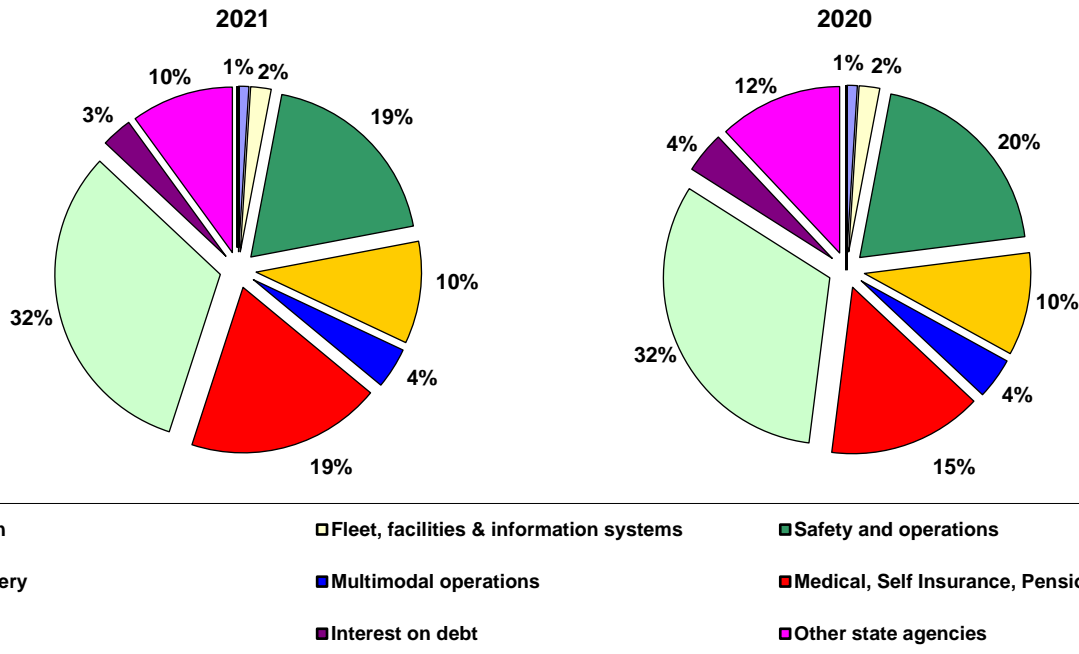
The following three revenue sources provided \$2.7 billion, or 94.4 percent, of the Department’s revenues:

- Charges for services, including licenses, fees, permits and cost reimbursements: \$452.0 million
- Federal Highway Administration capital grants: \$1,253.0 million
- Sales and fuel taxes: \$948.0 million

In 2020, these same revenue sources provided \$2.3 billion, or 92.9 percent, of the Department’s revenues.

Taxes remained one of the larger portions of revenue for the Department. Taxes overall increased 8.4 percent with fuel taxes increasing 1.3 percent. Sales tax revenues increased 17.7 percent in fiscal year 2021 from 2020 due to an increase in the number of motor vehicles purchased during the pandemic.

The following chart depicts expenses of the governmental activities for the fiscal years ended June 30, 2021 and 2020:



Expenses for the year increased \$29.3 million, or 1.6 percent. The majority of the increase in expenses is for depreciation on assets, which is larger because the Department's construction program is growing. Pension and OPEB expenses also increased in fiscal year 2021 due to changes to actuarial estimates. These increases were offset by decreases in other categories like administration, safety and operations and other state agencies. In many cases, cash expenditures decreased in fiscal year 2021. For example, administration expenses decreased \$10.0 million from fiscal year 2021 to 2020. While \$6.0 million of the reduction is related to the bicentennial license plate reissuance program ending in fiscal year 2020, the remaining decrease is due to reduced spending related to the COVID-19 pandemic in areas such as travel expenses.

The Department's expenses for program delivery and safety and operations of the state's highway system totaled \$516.3 million and \$544.5 million (as restated) in 2021 and 2020, respectively. This represents 28.2 percent and 30.2 percent (as restated) of the total expenses for 2021 and 2020, respectively. Like discussed before, reductions in expenditures occurred because of the COVID-19 pandemic.

## FUND FINANCIAL ANALYSIS

As previously mentioned, the Department uses fund accounting to ensure and demonstrate compliance with budgetary and legal requirements. The following is a brief discussion of highlights from the fund financial statements. The purpose of the Department's governmental fund financial statements is to provide information on near-term inflows, outflows and balances of spendable resources.

### Governmental Funds

The fund balances of the governmental funds were \$1.5 billion at the end of fiscal year 2021, \$1.1 billion at the end of fiscal year 2020 and \$0.9 billion at the end of fiscal year 2019. Revenues from the federal government increased \$300.3 million from 2020. Federal government revenues increased in fiscal year 2021 due to receiving funding from the CRRSAA Act passed by Congress in December 2020. The Department spent \$5.7 million more in 2021.

*State Highways and Transportation Department Fund:* The Highway Fund was established by statute to receive revenues derived from the use of state highways. The fund pays the costs incurred to collect revenues received and to administer and enforce state motor vehicle laws and traffic regulations. As shown on the Balance Sheets, the fund ended the fiscal year with assets of \$142.6 million, liabilities of \$10.5 million, deferred inflows of resources \$0.1 million and a restricted fund balance of \$132.1 million. The Constitution requires the balance of funds remaining after other state agency expenditures be transferred to the Road Fund.



As shown on the Statements of Revenues, Expenditures and Changes in Fund Balances of the governmental funds, the Highway Fund had \$735.2 million in revenues, compared to \$711.8 million (as restated) from 2020. The increase is from higher motor vehicle and drivers' license receipts. In 2020, revenues were \$22.2 million less than 2019 (as restated).

**State Road Fund:** The Road Fund was constitutionally established to receive monies from highway user fees transferred from the Highway Fund, the motor vehicle sales tax, the federal government and other revenues. This is the primary operating fund of the Department and pays to construct, improve and maintain the state highway system and to administer the Commission and the Department. The fund ended the year with assets of \$1.5 billion, an increase of \$330.7 million from 2020 (as restated). This compares to an increase in 2020 of \$276.4 million (as restated) from 2019. Deferred inflows of resources for the fund were \$4.5 million compared to \$10.1 million in fiscal year 2020. Liabilities totaled \$229.9 million, an increase of \$60.2 million from 2020, and fund balances totaled \$1.2 billion, an increase of \$276.1 million from 2020 (as restated) compared to an increase of \$270.1 million in 2020 from 2019 (as restated).

**State Road Bond Fund:** The Road Bond Fund was constitutionally established to receive monies from the state's motor vehicle sales tax. Monies are used to fund the repayment of bonds issued by the Commission. The fund was established in fiscal year 2006 as a debt service fund. At the end of this fiscal year, total assets were \$98.5 million, compared to \$54.8 million in 2020. The American Recovery and Reinvestment Act of 2009 (ARRA) revenue represents the federal government subsidy received for the Build America Bonds issued in 2010. Sales tax revenue increased \$34.7 million in 2021. Expenditures of the Road Bond Fund were \$188.4 million in 2021 compared to \$200.2 million in 2020.

### **Proprietary Funds**

The Department's internal service funds consist of the MHTC Self Insurance Fund (workers' compensation, fleet liability and general liability) and the MoDOT and MSHP Medical and Life Insurance Plan. The self insurance fund receives premiums from the Department for fleet and general liability claims and from the Department, MSHP and MoDOT and Patrol Employees' Retirement System (MPERS) for workers' compensation claims. The Department, MSHP, MPERS and plan members pay premiums to the medical and life insurance fund.

As shown on the Statements of Net Position – Proprietary Funds, total assets increased \$6.4 million in 2021 compared to an increase of \$16.2 million in 2020. Total current liabilities of the proprietary funds at the end of 2021 were \$47.6 million, an increase of \$4.2 million from 2020. Total pending self insurance claims and incurred but not reported claims increased \$10.4 million compared to a \$5.5 million decrease in 2020 from 2019.

Total net position of the internal service funds decreased at the end of the current fiscal year to \$90.7 million, compared to \$97.8 million in fiscal year 2020. Highway workers' compensation and general liability expenses increased \$9.3 million in fiscal year 2021.

The largest operating expenses of the proprietary funds, medical and prescription drug benefits, totaled \$135.1 million compared to \$125.4 million in 2020. This accounts for 76.0 percent of the total operating expenses, compared to 81.5 percent in 2020. This \$9.7 million increase compares to a \$4.5 million increase in 2020 from 2019. The change in net position of the Self Insurance Fund was a decrease of \$11.7 million in fiscal year 2021 compared to a change in net position of a positive \$10.6 million in fiscal year 2020. Operating income for the MHTC Self Insurance Fund decreased from \$6.9 million in 2020 to a loss of \$12.0 million in 2021. The decrease in operating income can be attributed to an increase in highway general liability and fleet liability claims. The change in net position of the medical and life insurance plan was a positive \$4.7 million in fiscal year 2021 compared to a positive change in net position of \$12.7 million in fiscal year 2020. The operating income can be attributed to an increase in prescription formulary rebates and Medicare reimbursements.

### **Fiduciary Funds**

The Department's fiduciary funds are used to account for monies held on behalf of various political subdivisions and other interested parties. These funds act as clearing accounts and thus have a net position of zero.

## SIGNIFICANT EVENTS FOR THE YEAR ENDED JUNE 30, 2021

In March 2020, the global pandemic occurred impacting the global economy including the economy in Missouri. The impact of the pandemic was noticed in the Department's revenue sources as traffic volumes were reduced by 50 percent and businesses and governmental entities were closed for periods of time. The Department responded by ensuring only critical expenditures were being made, only critical job fills were completed and adjusting our operations to protect our employees and the public. With reduced traffic volumes and favorable spring weather, construction projects were moved forward in the spring of 2020. In response to the uncertain future revenues, the Department implemented for 12-weeks a Shared Work Program offered by the Missouri Department of Labor, in which 80 percent of the staff reduced their hours by 20 percent and then qualified to receive 20 percent of the unemployment weekly benefit they would have received if unemployed. In addition, employees receiving unemployment also received an additional \$600 weekly payment from the Coronavirus Aid, Relief, and Economic Security (CARES) Act for the first six weeks of the program and eligible employees received an additional \$300 weekly payment for the following six weeks. The program ended September 5, 2020. In addition to the Shared Work Program, the remaining 20 percent of employees had their pay reduced by 5 percent. The salary reduction was originally for a five pay period time frame; however, because the declines in revenue were not as significant as originally anticipated and other cost savings measures were taken, the salary reduction ended after two pay periods. These two efforts saved the department approximately \$13.8 million in personal service costs.

During fiscal year 2021, motor fuel tax collections remained lower than recent previous years' collections; however, motor vehicle sales tax and motor vehicle drivers and licensing fees increased significantly. In addition, several federal Coronavirus Relief bills were passed that brought additional funding to Missouri. This infusion of resources helped the Department to manage through the fiscal impacts of the pandemic.

Construction began in the spring of 2019 on the I-44 Rebuild Bridge Project which improved 19 bridges along the 30-mile tract of I-44 between Sarcoux and Halltown. This project replaced 13 bridges and rehabilitated 6 bridges that were deteriorating as part of the original I-44 construction in the 1960s. The project cost \$34.1 million and was completed in November 2020.

The MHTC selected a contractor in August 2018 to replace the bridges within the I-435 and I-70 interchange in the Kansas City area. Improvements included full bridge replacements, removal of left exits, improvements to loop ramp configuration and congestion relief. Construction on the \$47.0 million project began in March 2019 and was completed in December 2020.

During the 2019 legislative session, Governor Parson recommended, and the legislature approved a concurrent resolution to fund 250 bridge projects, bridges that were already programmed for repair or replacement in the current STIP. This program has been titled, Focus on Bridges. The legislation authorized the use of General Revenue to repay the Commission issued debt of \$301.0 million in bonds to repair or replace 215 bridges, contingent on the department receiving funding in the form of a federal Infrastructure for Rebuilding America (INFRA) grant. The bonds would be paid back over a seven-year period. In July 2019, the Department learned that it had been awarded an \$81.2 million INFRA grant. The acceptance of the grant in October 2019 triggered the first issuance of bonds for this program. The second issuance is anticipated in November of 2021. In addition, the legislature appropriated \$50.0 million of General Revenue to address additional bridges. Through fiscal year 2021, 124 bridges have been replaced or rehabilitated and are opened to traffic. The program is expected to be completed by December 2023.

During the 2019 legislative session, Governor Parson recommended, and the legislature passed \$50.0 million of General Revenue funds for a new Transportation Cost-Share program. This program, a cooperative effort between the Department and the Department of Economic Development, allowed anyone to apply for cost-share funds for transportation projects on public roads that generate economic benefit to the state. The Department received 48 applications requesting \$91.7 million in funds. Projects were initially selected by the Commission in January 2020 and an additional project was approved in April 2020. Due to budget constraints, the fiscal year 2021 General Revenue funding available for the Transportation Cost-Share program was reduced to \$25.0 million. The remaining \$25.0 million has been made available in the State Road Fund as a result of funds that were redirected because of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The program is expected to be completed by December 2024.

MoDOT is replacing the I-44 bridges over the Meramec River in the St. Louis area. The project was awarded in June 2018 for \$51.1 million and is expected to be completed in the spring of 2022.

The MHTC selected a contractor for the Bootheel Bridge Bundle project in August 2020. This project will replace or rehabilitate 17 bridges, 13 of which are included in the Focus on Bridges Program, for an estimated budget of \$25.5 million. The project is expected to be completed by December 2023.

The I-270 North Project, costing \$278.0 million, will address safety, congestion and system condition issues on I-270 north and the outer roads between US 67 (Lindbergh Boulevard) and Bellefontaine Road. A design-build team selected a contractor in November 2019 and construction began in the spring of 2020. The project is expected to be completed by December 2023.

The Fixing Access to Rural Missouri (FARM) Bridge Program will replace a total of 31 bridges in Northern Missouri. The project was awarded in May 2020, the estimated budget is \$26.0 million and is expected to be completed in October 2023.

The I-70 INFRA Discretionary Grant improvements to the Rocheport Bridge and Mineola Hill has begun. The Mineola Hill project to add climbing lanes to I-70 in the area of Mineola Hill to help accommodate slower traffic on the hills cost \$14.4 million and was completed in June of 2021. The Rocheport Bridge replacement with a budget of \$240.0 million budget was awarded in July 2021. This project replaces one interstate bridge over the Missouri River near Rocheport, Missouri with two new bridges. The project is expected to be completed by December 2024.

In February 2021, the Buck O'Neil Bridge replacement and interchange improvements was awarded. The project's budget totals \$257.9 million with \$72.5 million provided by the City of Kansas City along with a \$25.0 million Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grant obtained by the City. Construction started in August 2021 and is anticipated to be completed in December 2024

In fiscal year 2021, the construction award amount was less than the budgeted amount as it was in fiscal years 2020, 2019, 2018, 2017 and 2016. The Department has successfully used a variety of innovations, which focus on getting the most value for each tax dollar, to minimize the impacts of rising costs. These innovations include:

- practical design, governed by three ground rules – safety, communication and quality – delivers “good” projects everywhere, instead of “perfect” projects somewhere;
- value engineering, a systematic process to review and provide recommendations to improve value while addressing the project's purpose and need;
- alternate bidding of materials on specific projects;
- alternate technical concepts allowing the bidder to propose design changes with bid submittal; and
- packaging of bids to increase competition among bidders.

The Department is recognized nationally by other departments of transportation for its performance management system and practical design efforts. In fact, the Federal Highway Administration has acknowledged the Department's performance management system as a noteworthy practice because it achieves accountability and transparency, aligns performance measures and strategic goals and is an outcome-based performance management tool.

## CAPITAL ASSETS AND LONG-TERM OBLIGATION ADMINISTRATION

### Capital Assets

The Department's investment in capital assets for its governmental activities as of June 30, 2021, totals \$58.4 billion, with accumulated depreciation of \$26.9 billion and a net value of \$31.5 billion. The net value represents an increase of \$418.6 million from fiscal year 2020, compared to an increase of \$417.8 million in 2020 from 2019. These assets are summarized in the table below. Additional information about the Department's capital assets is presented in the Notes to the Financial Statements.

| (Amounts in millions)        | <u>2021</u>     | <u>2020</u>     | <u>2019</u>     | <u>Percent<br/>Change<br/>2021-2020</u> |
|------------------------------|-----------------|-----------------|-----------------|---|
| Land and permanent easements | \$ 2,627        | \$ 2,626        | \$ 2,625        | ---%                                    |
| Software in progress         | 8               | 7               | 5               | 14.3                                    |
| Construction in progress     | 44              | 32              | 21              | 37.5                                    |
| Infrastructure in progress   | 1,940           | 1,882           | 1,700           | 3.1                                     |
| Land improvements            | 11              | 12              | 13              | (8.3)                                   |
| Buildings                    | 145             | 143             | 147             | 1.4                                     |
| Software                     | 5               | 6               | 9               | (16.7)                                  |
| Vehicles and equipment       | 223             | 212             | 208             | 5.2                                     |
| Temporary easements          | 3               | 1               | 1               | 200.0                                   |
| Infrastructure               | <u>26,530</u>   | <u>26,197</u>   | <u>25,971</u>   | <u>1.3</u>                              |
| <b>Total</b>                 | <u>\$31,536</u> | <u>\$31,118</u> | <u>\$30,700</u> | <u>1.3%</u>                             |

As provided by generally accepted accounting principles (GAAP), the Department records its infrastructure assets at actual or estimated historical cost. Included in infrastructure are 33,830 miles of highways and 10,399 bridges that the Department is responsible for maintaining.

The Statewide Transportation Improvement Program (STIP) sets the specific construction projects the Department will undertake in the next five years. It covers highways and bridges, transit, aviation, rail, waterways, enhancements and other projects. The program, updated annually, is dynamic with adjustments made to project plans during the life of the STIP based on needs and goals of the Department. The Commission approves amendments during the fiscal year as circumstances require.

### Long-Term Obligation Administration

The following table presents a summary of the Department's long-term obligations for governmental activities. Additional information about the Department's long-term obligations is presented in the Notes to the Financial Statements.

| (Amounts in millions)               | <u>2021</u>    | <u>2020</u><br>(as restated) | <u>2019</u>    | <u>Percent</u><br><u>Change</u><br><u>2021-2020</u> |
|-------------------------------------|----------------|------------------------------|----------------|---|
| State road bonds                    | \$1,409        | \$1,624                      | \$1,614        | (13.2)%   |
| Premium on bonds                    | 58             | 82                           | 86             | (29.3)  |
| Advances from other entities        | ---            | ---                          | 1              | ---   |
| Capital lease obligations*          | ---            | ---                          | ---            | ---   |
| Compensated absences                | 36             | 35                           | 34             | 2.9   |
| Other liabilities                   | ---            | ---                          | 1              | ---   |
| <b>Total obligations</b>            | <u>1,503</u>   | <u>1,741</u>                 | <u>1,736</u>   | <u>(13.7)</u>                                       |
| Current portion of obligations      | <u>253</u>     | <u>238</u>                   | <u>193</u>     | <u>6.3</u>  |
| <b>Total noncurrent obligations</b> | <u>\$1,250</u> | <u>\$1,503</u>               | <u>\$1,543</u> | <u>(16.8)%</u>                                      |

\*Due to rounding, other liabilities do not show on this table.

The Department's total noncurrent obligations, excluding pending self insurance claims, incurred but unreported claims, pension and other postemployment benefit obligations decreased \$253.0 million from 2020, compared to a decrease of \$40.0 million in 2020 from 2019. At the end of the current fiscal year, state road bonds total \$1.4 billion, or 93.7 percent, of the total obligations. Revenues collected under Article IV, Section 30(a) and (b) of the Missouri Constitution, revenues collected from federal highway reimbursements and appropriations of General Revenue made by the legislature for the repayment of bonds. These revenues are state highway user fees, including fuel taxes, sales taxes, licenses and fees and federal highway reimbursements. Principal payments are due on various dates through fiscal year 2033.

The advances from other entities are related to construction projects accelerated to meet the needs of the users. Principal payments are due to other entities in fiscal year 2022.

The Department has zero capital lease obligations at the end of fiscal year 2021.

## RECENT EVENTS AND FUTURE BUDGETS

The Department's fiscal year 2022 budget for all funds was approved by the Legislature in May 2021 and signed into law by the Governor in June 2021. The fund level is the legal level of control for the State Road Fund, with approval of the State Road Fund budget by the Commission. The Commission approved the budget for all funds in June 2021, with a total spending plan of \$3.2 billion, which equals the amount approved by the legislature. The fiscal year 2022 budget is more than the fiscal year 2021 budget by \$77.4 million. Program funds over the next several years will continue to focus on taking care of the existing transportation system with a few targeted investments.

Federal funding continues to be uncertain. In December 2015, Congress passed the Fixing America's Surface Transportation (FAST) Act, which is a five-year, \$305.0 billion transportation bill for the nation's transportation projects. Prior to the FAST Act, Congress had not passed a long-term highway authorization act since 2005. The FAST Act is funded with receipts into the Highway Trust Fund, a transfer from the General Fund and additional funding offsets. This five-year bill was set to expire on September 30, 2020; however, Congress took action to provide \$13.6 billion to the Highway Trust Fund and to extend the FAST Act until September 30, 2021. On May

26, 2021, The Senate Committee on Environment and Public Works passed the Surface Transportation Reauthorization Act of 2021 (STRA-21). This act would invest \$304.0 billion in our nation's highway programs over five years. On June 16, 2021, the Senate Commerce Science and Transportation Committee passed the Surface Transportation Investment Act of 2021 (STIA-21). This act would invest \$78.0 billion in multimodal and freight, rail, highway and vehicle safety, motor carrier safety, research and innovation and hazardous materials over five years. On August 10, 2021, the Senate approved a \$1 trillion bipartisan infrastructure bill, the Infrastructure Investment and Jobs Act (IIJA). The legislation includes nearly \$550.0 million in new spending over the next five years. On July 1, 2021, the House of Representatives passed the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act.

This act invests \$547.0 billion in highway, highway safety, transit and rail programs over five years. While much discussion regarding a reauthorization act has occurred, Congress needs to continue to work on a long-term source of transportation revenue to support the nation's infrastructure needs.

The Missouri General Assembly passed Senate Bill 262 during the 2021 legislative session. In July 2021, the Governor signed it into law. This legislation increases the state motor fuel tax beginning with 2.5 cents in October 2021 and increasing by 2.5 cents on July 1 each fiscal year until reaching an additional 12.5 cents per gallon on July 1, 2025. In addition, the legislation increases the fees for alternative fuel decals by 20 percent each fiscal year for five years. A portion of this increase will go to cities and counties.

Annually, the Department prepares a financial forecast that is used to develop its STIP. MoDOT's 2022-2026 STIP presents a multi-year plan that uses available cash balances to meet current federal funding investment levels. The result is an increase in construction awards. Even with the higher contractor awards, the funds available will be focused primarily on maintaining the current transportation system. This means more maintenance-related activities like resurfacing and bridge repair projects rather than expansion projects. The financial forecast will be refreshed in the fall to include the additional state and federal revenue and will determine the projected awards for the upcoming years.

The I-70 Cave Springs to Fairgrounds in St. Charles County project will provide connectivity, safety and efficiency improvements to four miles of the I-70 network at an estimated budget of \$62.4 million. The project is expected to be awarded in February 2022 with an anticipated completion date of June 2024.

The I-44 Corridor Bridge Bundle project will improve at least 17 and possibly up to 32 poor condition bridges on or adjacent to the I-44 corridor. The project has an estimated budget of \$38.5 million, is expected to be awarded in January 2022 and has an anticipated completion date of November 2024.

The Chester Bridge over the Mississippi River will be replaced. A design-build team will be selected in the fall of 2021. The estimated cost of the project is \$189.0 million and the project is expected to be completed in the fall of 2024.

## **ECONOMIC CONDITIONS**

The current economic environment presents government entities, including state transportation departments, with challenges. The National and Missouri's economy was interrupted in the spring of 2020 because of a global pandemic. The global pandemic resulted in many citizens that were not serving in critical functions being asked to shelter in place. The economy has rebounded some in fiscal year 2021. Consumer confidence increased in fiscal year 2021, which indicates that consumers are more optimistic about the economy as they were last year; however, consumers remain cautious. The unemployment rate in Missouri has decreased. While motor fuel tax has not returned to pre-pandemic levels, the other two primary state revenue sources have increased significantly. The increase in the motor fuel tax rate starting in October 2021 will be a much needed investment in transportation and will help match federal funds in the years to come. The bidding environment for fiscal year 2021 was favorable. During the previous five fiscal years, 2017-2021, 2,151 highway and bridge construction projects estimated at \$4.5 billion were awarded for \$4.2 billion, a 6.1 percent difference.

## **CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the Missouri Department of Transportation's interested parties, including citizens, taxpayers, customers, investors and creditors, with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. Questions about this report or requests for additional financial information should be addressed to the Missouri Department of Transportation, Financial Services Division, P.O. Box 270, Jefferson City, MO 65102. This report is also included in the Report to the Joint Committee on Transportation Oversight and is available on the Department's website at [www.modot.org](http://www.modot.org).

# Government-wide Financial Statements

---

## Statements of Net Position

June 30, 2021 and 2020

|   | <b>Governmental Activities</b> |                              |
|---|--------------------------------|------------------------------|
|   | <u>2021</u>                    | <u>2020</u><br>(as restated) |
| <b>Assets</b>   |                                |                              |
| Current assets  |                                |                              |
| Cash and cash equivalents                             | \$ 1,442,280,605               | \$ 1,026,752,771             |
| Investments   | 10,249,360                     | 13,399,560                   |
| Restricted cash and investments                       | 18,639,000                     | 18,645,000                   |
| State taxes and fees receivables                      | 159,861,911                    | 161,717,081                  |
| Federal government receivables                        | 103,833,936                    | 102,042,158                  |
| Miscellaneous receivables, net                        | 14,291,037                     | 20,402,559                   |
| Loans receivable                                      | 149,831                        | 149,831                      |
| Inventories   | <u>41,854,776</u>              | <u>36,171,482</u>            |
| Total current assets                                  | <u>1,791,160,456</u>           | <u>1,379,280,442</u>         |
| Noncurrent assets                                     |                                |                              |
| Investments   | 144,217,279                    | 139,472,987                  |
| Restricted cash and investments                       | 200,000                        | 200,000                      |
| Loans receivable                                      | 489,539                        | 671,446                      |
| Capital assets  |                                |                              |
| Assets not being depreciated                          | 4,619,161,908                  | 4,547,749,980                |
| Assets being depreciated, net                         | <u>26,917,215,981</u>          | <u>26,569,994,757</u>        |
| Total noncurrent assets                               | <u>31,681,284,707</u>          | <u>31,258,089,170</u>        |
| <b>Total assets</b>                                   | <u>33,472,445,163</u>          | <u>32,637,369,612</u>        |
| <b>Deferred Outflows of Resources</b>                 |                                |                              |
| Bond refunding  | 11,709,715                     | 18,920,800                   |
| Pension related items                                 | 237,661,021                    | 183,145,354                  |
| Other postemployment benefits obligation              | 162,478,153                    | 17,233,493                   |
| Asset retirement obligations                          | <u>50,880</u>                  | <u>43,955</u>                |
|   | <u>411,899,769</u>             | <u>219,343,602</u>           |
| <b>Liabilities</b>                                    |                                |                              |
| Current liabilities                                   |                                |                              |
| Accounts payable                                      | 114,715,556                    | 144,125,784                  |
| Accrued payroll                                       | 25,591,269                     | 23,702,228                   |
| Accrued interest payable                              | 11,951,195                     | 17,372,936                   |
| Deposits  | 1,285,526                      | 1,713,575                    |
| Unearned revenue                                      | 131,229,122                    | 39,147,615                   |
| Pending self insurance claims                         | 15,213,000                     | 16,981,000                   |
| Incurred but not reported claims                      | 19,108,000                     | 16,203,000                   |
| Other postemployment benefits obligation              | 17,610,000                     | 17,570,000                   |
| Financing and other obligations                       | <u>252,907,943</u>             | <u>238,468,221</u>           |
| Total current liabilities                             | <u>589,611,611</u>             | <u>515,284,359</u>           |
| Noncurrent liabilities                                |                                |                              |
| Pending self insurance claims                         | 37,584,752                     | 34,555,193                   |
| Incurred but not reported claims                      | 17,807,000                     | 11,606,000                   |
| Net pension liability                                 | 1,083,118,704                  | 1,006,396,262                |
| Other postemployment benefits obligation              | 918,155,365                    | 721,215,055                  |
| Financing and other obligations                       | <u>1,249,598,398</u>           | <u>1,503,046,375</u>         |
| Total noncurrent liabilities                          | <u>3,306,264,219</u>           | <u>3,276,818,885</u>         |
| <b>Total liabilities</b>                              | <u>3,895,875,830</u>           | <u>3,792,103,244</u>         |
| <b>Deferred Inflows of Resources</b>                  |                                |                              |
| Deferred bond refunding                               | 551,806                        | 919,269                      |
| Pension related items                                 | 9,594,449                      | 31,792,769                   |
| Other postemployment benefits obligation              | <u>108,602,462</u>             | <u>142,405,099</u>           |
| <b>Total deferred inflows of resources</b>            | <u>118,748,717</u>             | <u>175,117,137</u>           |
| <b>Net Position</b>                                   |                                |                              |
| Net investment in capital assets                      | 30,081,128,828                 | 29,429,629,273               |
| Restricted for:                                       |                                |                              |
| Internal service fund requirements set by legislation | 300,000                        | 300,000                      |
| Unrestricted  | <u>(211,708,443)</u>           | <u>(540,436,440)</u>         |
| <b>Total net position</b>                             | <u>\$29,869,720,385</u>        | <u>\$28,889,492,833</u>      |

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

## Statements of Activities

Years Ended June 30, 2021 and 2020

|   | <b>Governmental Activities</b> |                                     |
|---|--------------------------------|-------------------------------------|
|   | <b>2021</b>                    | <b>2020</b><br><b>(as restated)</b> |
| <b>Transportation Program Expenses</b>              |                                |                                     |
| Administration                                      | \$ 1,232,957                   | \$ 11,241,385                       |
| Fleet, facilities and information systems           | 33,025,919                     | 31,035,466                          |
| Safety and operations                               | 339,586,766                    | 360,105,802                         |
| Program delivery                                    | 176,678,912                    | 184,357,910                         |
| Multimodal operations                               | 95,340,076                     | 85,832,237                          |
| Interest  | 62,545,450                     | 66,973,202                          |
| Other state agencies                                | 187,984,518                    | 212,480,534                         |
| Self insurance                                      | 28,141,251                     | 13,154,721                          |
| Medical and life insurance                          | 149,674,981                    | 140,749,328                         |
| Pension   | 128,334,645                    | 107,972,816                         |
| Other postemployment benefits                       | 35,596,635                     | 19,104,238                          |
| Depreciation  | <u>592,143,550</u>             | <u>568,020,992</u>                  |
| <b>Total transportation program expenses</b>        | <u>1,830,285,660</u>           | <u>1,801,028,631</u>                |
| <b>Transportation Program Revenues</b>              |                                |                                     |
| Charges for services                                |                                |                                     |
| Licenses, fees and permits                          | 345,690,845                    | 322,385,758                         |
| Intergovernmental/cost reimbursements/miscellaneous | 58,836,966                     | 100,452,798                         |
| Member insurance premiums                           | <u>47,262,665</u>              | <u>47,366,126</u>                   |
| Total charges for services                          | 451,790,476                    | 470,204,682                         |
| Federal government                                  |                                |                                     |
| American Recovery and Reinvestment Act              | 11,859,532                     | 12,142,261                          |
| Operating   | 91,643,361                     | 73,684,324                          |
| Capital   | <u>1,253,030,569</u>           | <u>973,625,494</u>                  |
| Total federal government                            | <u>1,356,533,462</u>           | <u>1,059,452,079</u>                |
| <b>Total transportation program revenues</b>        | <u>1,808,323,938</u>           | <u>1,529,656,761</u>                |
| <b>Net expense of transportation program</b>        | <u>(21,961,722)</u>            | <u>(271,371,870)</u>                |
| <b>General Revenues</b>                             |                                |                                     |
| Fuel taxes  | 504,371,260                    | 497,661,349                         |
| Sales taxes   | 443,561,475                    | 376,818,209                         |
| Unrestricted investment earnings (loss)             | 799,768                        | 25,787,603                          |
| State appropriations                                | 57,914,140                     | 67,115,817                          |
| Gain (loss) on sale of capital assets               | <u>(4,457,369)</u>             | <u>1,271,796</u>                    |
| <b>Total general revenues</b>                       | <u>1,002,189,274</u>           | <u>968,654,774</u>                  |
| <b>Changes in Net Position</b>                      | 980,227,552                    | 697,282,904                         |
| <b>Net Position, beginning of year, as restated</b> | <u>28,889,492,833</u>          | <u>28,192,209,929</u>               |
| <b>Net Position, end of year</b>                    | <u>\$ 29,869,720,385</u>       | <u>\$ 28,889,492,833</u>            |

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





This page intentionally left blank

# Fund Financial Statements

---

**Balance Sheets**  
**Governmental Funds**  
 June 30, 2021 and 2020

|   | 2021   |                        |                            |                                   |                                |
|---|--|------------------------|----------------------------|-----------------------------------|--------------------------------|
|   | State<br>Highways<br>and<br>Transportation<br>Department<br>Fund | State Road<br>Fund     | State<br>Road Bond<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
| <b>Assets</b>   |  |                        |                            |                                   |                                |
| Cash and cash equivalents   | \$ 28,151,293  | \$1,280,472,823        | \$ 77,586,404              | \$ 22,590,221                     | \$1,408,800,741                |
| State taxes and fees receivables  | 113,719,021  | 26,921,604             | 18,416,549                 | 804,737                           | 159,861,911                    |
| Federal government receivables  | ---  | 84,834,807             | 2,372,652                  | 16,626,477                        | 103,833,936                    |
| Miscellaneous receivables, net  | 759,667  | 7,942,240              | 96,581                     | 44,818                            | 8,843,306                      |
| Loans receivable  | ---  | ---                    | ---                        | 639,370                           | 639,370                        |
| Due from other funds  | ---  | 66,380                 | ---                        | ---                               | 66,380                         |
| Inventories   | ---  | 41,854,776             | ---                        | ---                               | 41,854,776                     |
| Restricted cash and investments   | ---  | 18,539,000             | ---                        | ---                               | 18,539,000                     |
| <b>Total assets</b>   | <b>\$ 142,629,981</b>  | <b>\$1,460,631,630</b> | <b>\$ 98,472,186</b>       | <b>\$ 40,705,623</b>              | <b>\$1,742,439,420</b>         |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>       |  |                        |                            |                                   |                                |
| <b>Liabilities</b>  |  |                        |                            |                                   |                                |
| Accounts payable  | \$ 2,271,476   | \$ 92,654,175          | \$ ---                     | \$17,729,982                      | \$ 112,655,633                 |
| Accrued payroll   | 8,178,817  | 17,291,568             | ---                        | 120,884                           | 25,591,269                     |
| Deposits  | ---  | 1,285,526              | ---                        | ---                               | 1,285,526                      |
| Unearned revenue  | ---  | 118,637,747            | ---                        | 1,418,257                         | 120,056,004                    |
| Due to other funds  | ---  | ---                    | ---                        | 66,380                            | 66,380                         |
| <b>Total liabilities</b>  | <b>10,450,293</b>  | <b>229,869,016</b>     | <b>---</b>                 | <b>19,335,503</b>                 | <b>259,654,812</b>             |
| <b>Deferred Inflows of Resources</b>                                      |  |                        |                            |                                   |                                |
| Unavailable Revenues  | 72,816   | 4,459,966              | ---                        | 650,545                           | 5,183,327                      |
| <b>Total deferred inflows of resources</b>                                | <b>72,816</b>  | <b>4,459,966</b>       | <b>---</b>                 | <b>650,545</b>                    | <b>5,183,327</b>               |
| <b>Fund balances</b>  |  |                        |                            |                                   |                                |
| Nonspendable – inventories  | ---  | 41,854,776             | ---                        | ---                               | 41,854,776                     |
| Unassigned  | ---  | ---                    | ---                        | (1,510,578)                       | (1,510,578)                    |
| Restricted – highways and transportation                                  | 132,106,872  | 1,184,447,872          | 98,472,186                 | 22,230,153                        | 1,437,257,083                  |
| <b>Total fund balances</b>  | <b>132,106,872</b>   | <b>1,226,302,648</b>   | <b>98,472,186</b>          | <b>20,719,575</b>                 | <b>1,477,601,281</b>           |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <b>\$ 142,629,981</b>  | <b>\$1,460,631,630</b> | <b>\$ 98,472,186</b>       | <b>\$ 40,705,623</b>              | <b>\$ 1,742,439,420</b>        |

2020

| State<br>Highways<br>and<br>Transportation<br>Department<br>Fund<br>(as restated) | State Road<br>Fund<br>(as restated) | State<br>Road Bond<br>Fund | Nonmajor<br>Governmental<br>Funds<br>(as restated) | Total<br>Governmental<br>Funds<br>(as restated) |
|---|-------------------------------------|----------------------------|--|---|
| \$ 30,523,841   | \$ 909,087,750                      | \$ 32,039,156              | \$23,683,185                                       | \$ 995,333,932                                  |
| 105,722,599   | 32,611,429                          | 22,595,235                 | 787,818  | 161,717,081                                     |
| ---   | 94,316,188                          | ---                        | 7,725,970  | 102,042,158                                     |
| 1,260,325   | 12,303,955                          | 174,462                    | 3,925,807  | 17,664,549                                      |
| ---   | ---                                 | ---                        | 821,277  | 821,277   |
| ---   | 26,924,667                          | ---                        | ---  | 26,924,667                                      |
| ---   | 36,171,482                          | ---                        | ---  | 36,171,482                                      |
| ---   | 18,545,000                          | ---                        | ---  | 18,545,000                                      |
| <u>\$ 137,506,765</u>   | <u>\$ 1,129,960,471</u>             | <u>\$ 54,808,853</u>       | <u>\$ 36,944,057</u>                               | <u>\$ 1,359,220,146</u>                         |
| <br>  |                                     |                            |  |   |
| \$ 5,281,270  | \$ 124,495,514                      | \$ ---                     | \$13,529,056                                       | \$ 143,305,840                                  |
| 8,291,321   | 15,302,470                          | ---                        | 108,437  | 23,702,228                                      |
| ---   | 1,713,575                           | ---                        | ---  | 1,713,575                                       |
| ---   | 28,144,762                          | ---                        | 1,622,945  | 29,767,707                                      |
| <u>26,825,913</u>   | <u>---</u>                          | <u>---</u>                 | <u>98,754</u>                                      | <u>26,924,667</u>                               |
| <u>40,398,504</u>   | <u>169,656,321</u>                  | <u>---</u>                 | <u>15,359,192</u>                                  | <u>225,414,017</u>                              |
| <br>  |                                     |                            |  |   |
| <u>1,269,601</u>  | <u>10,145,721</u>                   | <u>---</u>                 | <u>129,045</u>                                     | <u>11,544,367</u>                               |
| <u>1,269,601</u>  | <u>10,145,721</u>                   | <u>---</u>                 | <u>129,045</u>                                     | <u>11,544,367</u>                               |
| <br>  |                                     |                            |  |   |
| ---   | 36,171,482                          | ---                        | ---  | 36,171,482                                      |
| ---   | ---                                 | ---                        | (1,063,587)  | (1,063,587)                                     |
| <u>95,838,660</u>   | <u>913,986,947</u>                  | <u>54,808,853</u>          | <u>22,519,407</u>                                  | <u>1,087,153,867</u>                            |
| <u>95,838,660</u>   | <u>950,158,429</u>                  | <u>54,808,853</u>          | <u>21,455,820</u>                                  | <u>1,122,261,762</u>                            |
| <u>\$ 137,506,765</u>   | <u>\$ 1,129,960,471</u>             | <u>\$ 54,808,853</u>       | <u>\$ 36,944,057</u>                               | <u>\$ 1,359,220,146</u>                         |

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



This page intentionally left blank

# Reconciliation of the Governmental Funds Balance Sheets to the Statements of Net Position

## Governmental Funds

June 30, 2021 and 2020

|  | <u>Total</u>                   |                                     |
|--|--------------------------------|-------------------------------------|
|  | <u>2021</u>                    | <u>2020</u><br><u>(as restated)</u> |
| <b>Fund balances – total governmental funds</b>  | \$ 1,477,601,281               | \$ 1,122,261,762                    |
| Amounts reported for governmental activities in the statements of net position are different because:  |                                |                                     |
| Capital assets, net of accumulated depreciation of \$26,897,349,251 and \$25,405,525,785 in 2021 and 2020 respectively, used in governmental activities are not financial resources, and therefore, are not reported in the funds. | 31,536,377,889                 | 31,117,744,737                      |
| Amounts resulting from the difference calculated between the reacquisition price and the net carrying amount of refunded bonds, reported as deferred outflows of resources, are not reported in the funds.                         | 11,709,715                     | 18,920,800                          |
| Amounts resulting from the difference calculated between the reacquisition price and the net carrying amount of refunded bonds, reported as deferred inflows of resources, are not reported in the funds.                          | (551,806)                      | (919,269)                           |
| Some revenue will be collected after the availability period and is deferred in the fund statements; however, it is recognized in the government-wide statements.  | 5,183,327                      | 11,544,367                          |
| Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included only in the statements of net position.         |                                |                                     |
| Medical and life insurance plan  | 55,158,179                     | 50,453,340                          |
| Self insurance plan  | 35,590,262                     | 47,331,011                          |
| Certain changes in the net pension liability, other postemployment benefits liability and asset retirement obligations are amortized over time and are not reported in the funds.  |                                |                                     |
| Net pension liability  | 228,066,572                    | 151,352,585                         |
| Other postemployment benefits obligations  | 53,875,691                     | (125,171,606)                       |
| Asset retirement obligations   | 50,880                         | 43,955                              |
| Certain liabilities, including bonds payable, are not due and payable in the current period, and, therefore, are not reported in the funds.  |                                |                                     |
| Financing and other obligations  | (1,502,506,341)                | (1,741,514,596)                     |
| Net pension liability  | (1,083,118,704)                | (1,006,396,262)                     |
| Other postemployment benefits obligations  | (935,765,365)                  | (738,785,055)                       |
| Accrued interest payable   | <u>(11,951,195)</u>            | <u>(17,372,936)</u>                 |
| <b>Total net position – governmental activities</b>  | <b><u>\$29,869,720,385</u></b> | <b><u>\$28,889,492,833</u></b>      |

# Statements of Revenues, Expenditures and Changes in Fund Balances

## Governmental Funds

Years Ended June 30, 2021 and 2020

|  | 2021  |                         |                            |                                   |                                |
|--|---|-------------------------|----------------------------|-----------------------------------|--------------------------------|
|  | State Highways<br>and<br>Transportation<br>Department<br>Fund | State Road<br>Fund      | State<br>Road Bond<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
| <b>Revenues</b>  |   |                         |                            |                                   |                                |
| Fuel taxes   | \$ 504,025,004  | \$ 113,722              | \$ ---                     | \$ 232,534                        | \$ 504,371,260                 |
| Sales taxes  | 1,270,149   | 214,066,568             | 219,932,522                | 8,292,236                         | 443,561,475                    |
| Licenses, fees and permits                             | 226,924,194   | 116,234,734             | ---                        | 2,711,449                         | 345,870,377                    |
| Intergovernmental/cost<br>reimbursements/miscellaneous | 2,702,551   | 46,589,806              | ---                        | 496,365                           | 49,788,722                     |
| Investment earnings                                    | 273,476   | (60,117)                | 265,855                    | 8,737                             | 487,951                        |
| American Recovery and Reinvestment Act                 | ---   | ---                     | 11,859,532                 | ---                               | 11,859,532                     |
| State government                                       | ---   | ---                     | ---                        | 57,914,140                        | 57,914,140                     |
| Federal government                                     | ---   | <u>1,254,290,508</u>    | ---                        | <u>91,121,250</u>                 | <u>1,345,411,758</u>           |
| <b>Total revenues</b>                                  | <u>735,195,374</u>  | <u>1,631,235,221</u>    | <u>232,057,909</u>         | <u>160,776,711</u>                | <u>2,759,265,215</u>           |
| <b>Expenditures</b>                                    |   |                         |                            |                                   |                                |
| Administration   | ---   | 49,571,059              | ---                        | ---                               | 49,571,059                     |
| Fleet, facilities and information systems              | ---   | 42,638,316              | ---                        | ---                               | 42,638,316                     |
| Safety and operations                                  | ---   | 429,945,521             | ---                        | 18,678,877                        | 448,624,398                    |
| Program delivery                                       | ---   | 230,041,369             | ---                        | 1,282,410                         | 231,323,779                    |
| Multimodal operations                                  | ---   | 922,343                 | ---                        | 95,661,978                        | 96,584,321                     |
| Capital outlay   | ---   | 1,019,614,229           | ---                        | 16,860                            | 1,019,631,089                  |
| Debt service - principal                               | ---   | 94,050,000              | 121,425,000                | ---                               | 215,475,000                    |
| Debt service - interest                                | ---   | 18,515,519              | 66,969,576                 | ---                               | 85,485,095                     |
| Other state agencies                                   | <u>219,126,117</u>  | ---                     | ---                        | ---                               | <u>219,126,117</u>             |
| <b>Total expenditures</b>                              | <u>219,126,117</u>  | <u>1,885,298,356</u>    | <u>188,394,576</u>         | <u>115,640,125</u>                | <u>2,408,459,174</u>           |
| <b>Excess of revenues over (under) expenditures</b>    | <u>516,069,257</u>  | <u>(254,063,135)</u>    | <u>43,663,333</u>          | <u>45,136,586</u>                 | <u>350,806,041</u>             |
| <b>Other Financing Sources (Uses)</b>                  |   |                         |                            |                                   |                                |
| Notes issued   | ---   | 136,460                 | ---                        | ---                               | 136,460                        |
| Bonds issued   | ---   | ---                     | ---                        | ---                               | ---                            |
| Premium on bonds                                       | ---   | ---                     | ---                        | ---                               | ---                            |
| Capital asset sales                                    | ---   | 4,397,018               | ---                        | ---                               | 4,397,018                      |
| Transfers in   | ---   | 525,673,876             | ---                        | ---                               | 525,673,876                    |
| Transfers out  | <u>(479,801,045)</u>  | ---                     | ---                        | <u>(45,872,831)</u>               | <u>(525,673,876)</u>           |
| <b>Total other financing sources (uses)</b>            | <u>(479,801,045)</u>  | <u>530,207,354</u>      | <u>---</u>                 | <u>(45,872,831)</u>               | <u>4,533,478</u>               |
| <b>Net Changes in Fund Balances</b>                    | 36,268,212  | 276,144,219             | 43,663,333                 | (736,245)                         | 355,339,519                    |
| <b>Fund Balances, beginning of year as restated</b>    | <u>95,838,660</u>   | <u>950,158,429</u>      | <u>54,808,853</u>          | <u>21,455,820</u>                 | <u>1,122,261,762</u>           |
| <b>Fund Balances, end of year</b>                      | <u>\$ 132,106,872</u>   | <u>\$ 1,226,302,648</u> | <u>\$ 98,472,186</u>       | <u>\$ 20,719,575</u>              | <u>\$ 1,477,601,281</u>        |

2020

| State Highways<br>and<br>Transportation<br>Department<br>Fund<br>(as restated) | State Road<br>Fund<br>(as restated) | State<br>Road Bond<br>Fund | Nonmajor<br>Governmental<br>Funds<br>(as restated) | Total<br>Governmental<br>Funds<br>(as restated) |
|--|-------------------------------------|----------------------------|--|---|
| \$ 497,329,306   | \$ 97,140                           | \$ ---                     | \$ 234,903   | \$ 497,661,349                                  |
| 1,958,285  | 180,245,383                         | 185,191,760                | 9,422,781  | 376,818,209                                     |
| 210,307,025  | 109,403,750                         | ---                        | 2,534,374  | 322,245,149                                     |
| 987,518  | 93,428,416                          | ---                        | 1,958,401  | 96,374,335                                      |
| 1,177,708  | 17,262,386                          | 1,745,364                  | 236,110  | 20,421,568                                      |
| ---  | ---                                 | 12,142,261                 | ---  | 12,142,261                                      |
| ---  | ---                                 | ---                        | 67,115,817   | 67,115,817                                      |
| ---  | <u>971,558,872</u>                  | ---                        | <u>73,555,890</u>                                  | <u>1,045,114,762</u>                            |
| <u>711,759,842</u>   | <u>1,371,995,947</u>                | <u>199,079,385</u>         | <u>155,058,276</u>                                 | <u>2,437,893,450</u>                            |
| ---  | 57,741,666                          | ---                        | ---  | 57,741,666                                      |
| ---  | 40,578,228                          | ---                        | ---  | 40,578,228                                      |
| ---  | 460,484,860                         | ---                        | 18,034,062   | 478,518,922                                     |
| ---  | 240,406,910                         | ---                        | ---  | 240,406,910                                     |
| ---  | 874,222                             | ---                        | 86,143,748   | 87,017,970                                      |
| ---  | 1,003,097,446                       | ---                        | 124,003  | 1,003,221,449                                   |
| ---  | 45,104,499                          | 124,140,000                | ---  | 169,244,499                                     |
| ---  | 6,377,945                           | 76,035,710                 | ---  | 82,413,655                                      |
| <u>243,640,587</u>   | ---                                 | ---                        | ---  | <u>243,640,587</u>                              |
| <u>243,640,587</u>   | <u>1,854,665,776</u>                | <u>200,175,710</u>         | <u>104,301,813</u>                                 | <u>2,402,783,886</u>                            |
| <u>468,119,255</u>   | <u>(482,669,829)</u>                | <u>(1,096,325)</u>         | <u>50,756,463</u>                                  | <u>35,109,564</u>                               |
| ---  | ---                                 | ---                        | ---  | ---   |
| ---  | 178,370,000                         | ---                        | ---  | 178,370,000                                     |
| ---  | 23,142,582                          | ---                        | ---  | 23,142,582                                      |
| ---  | 18,704,531                          | ---                        | ---  | 18,704,531                                      |
| ---  | 532,561,709                         | ---                        | ---  | 532,561,709                                     |
| <u>(482,015,055)</u>   | ---                                 | ---                        | <u>(50,546,654)</u>                                | <u>(532,561,709)</u>                            |
| <u>(482,015,055)</u>   | <u>752,778,822</u>                  | ---                        | <u>(50,546,654)</u>                                | <u>220,217,113</u>                              |
| (13,895,800)   | 270,108,993                         | (1,096,325)                | 209,809  | 255,326,677                                     |
| <u>109,734,460</u>   | <u>680,049,436</u>                  | <u>55,905,178</u>          | <u>21,246,011</u>                                  | <u>866,935,085</u>                              |
| <u>\$ 95,838,660</u>   | <u>\$ 950,158,429</u>               | <u>\$ 54,808,853</u>       | <u>\$ 21,455,820</u>                               | <u>\$ 1,122,261,762</u>                         |

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





This page intentionally left blank

# Reconciliation of the Governmental Funds Statements of Revenues, Expenditures and Changes in Fund Balances to the Statements of Activities

Years Ended June 30, 2021 and 2020

|  | <u>2021</u>          | <u>2020</u><br>(as restated) |
|--|----------------------|------------------------------|
| <b>Net changes in fund balances – total governmental funds</b>   | \$355,339,519        | \$255,326,677                |
| Amounts reported for governmental activities in the statements of activities are different because:  |                      |                              |
| Governmental funds report capital outlays as expenditures; however, in the statements of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays and donated assets (\$1,019,631,089 and \$1,003,097,446 for 2021 and 2020, respectively) exceed depreciation (\$592,143,550 and \$568,020,992 for 2021 and 2020, respectively) in the current period. | 427,487,539          | 435,200,457                  |
| In the statements of activities, only the gain (loss) on the sale of the assets is reported, whereas, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the assets sold.   | (8,854,387)          | (17,432,735)                 |
| Certain revenues in the statements of activities that do not provide current financial resources are not reported as revenues in the governmental funds.   | (6,361,040)          | (4,092,834)                  |
| Certain pension related expenses, not applicable to the current period, are reported as deferred outflows of resources in the government-wide financial statements.  | 128,326,190          | 131,981,668                  |
| Certain OPEB related expenses, not applicable to the current period, are reported as deferred outflows of resources in the government-wide financial statements.   | 17,663,622           | 17,191,792                   |
| Proceeds from the issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.  |                      |                              |
| Principal Repayments   | 215,475,000          | 169,245,523                  |
| Bonds issued   | ---                  | (178,370,000)                |
| Notes payable issued   | (136,460)            | ---                          |
| Bond premium   | ---                  | (23,142,582)                 |
| Some expenses reported in the statements of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in the governmental funds.  |                      |                              |
| Compensated absences   | (1,128,892)          | (747,802)                    |
| Interest expense recognition   | 22,949,604           | 15,442,484                   |
| Claims and judgments   | 434,047              | 440,953                      |
| Pension expense  | (128,334,645)        | (107,972,816)                |
| Other postemployment benefits obligations  | (35,596,635)         | (19,104,238)                 |
| Internal service funds are used by management for the medical and life insurance plan and the self insurance plan. The net revenue (expense) of certain internal service funds is reported with governmental activities.   |                      |                              |
| Medical and life insurance plan  | 4,704,839            | 12,722,813                   |
| Self insurance plan  | <u>(11,740,749)</u>  | <u>10,593,544</u>            |
| <b>Changes in net position – governmental activities</b>   | <u>\$980,227,552</u> | <u>\$697,282,904</u>         |

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

## Statements of Net Position

### Proprietary Funds

June 30, 2021 and 2020

|                                  | <u>Internal Service Funds</u> |                      |
|----------------------------------|-------------------------------|----------------------|
|                                  | <u>2021</u>                   | <u>2020</u>          |
| <b>Assets</b>                    |                               |                      |
| Current assets                   |                               |                      |
| Cash and cash equivalents        | \$ 33,479,864                 | \$ 31,418,839        |
| Investments                      | 10,249,360                    | 13,399,560           |
| Restricted investments           | 100,000                       | 100,000              |
| Miscellaneous receivables        | 5,447,731                     | 2,738,010            |
| Total current assets             | <u>49,276,955</u>             | <u>47,656,409</u>    |
| Noncurrent assets                |                               |                      |
| Investments                      | 144,217,279                   | 139,472,987          |
| Restricted investments           | 200,000                       | 200,000              |
| Total noncurrent assets          | <u>144,417,279</u>            | <u>139,672,987</u>   |
| <b>Total assets</b>              | <u>193,694,234</u>            | <u>187,329,396</u>   |
| <b>Liabilities</b>               |                               |                      |
| Current liabilities              |                               |                      |
| Accounts payable                 | 2,059,923                     | 819,944              |
| Unearned revenue                 | 11,173,118                    | 9,379,908            |
| Pending self insurance claims    | 15,213,000                    | 16,981,000           |
| Incurred but not reported claims | <u>19,108,000</u>             | <u>16,203,000</u>    |
| Total current liabilities        | <u>47,554,041</u>             | <u>43,383,852</u>    |
| Noncurrent liabilities           |                               |                      |
| Pending self insurance claims    | 37,584,752                    | 34,555,193           |
| Incurred but not reported claims | <u>17,807,000</u>             | <u>11,606,000</u>    |
| Total noncurrent liabilities     | <u>55,391,752</u>             | <u>46,161,193</u>    |
| <b>Total liabilities</b>         | <u>102,945,793</u>            | <u>89,545,045</u>    |
| <b>Net Position</b>              |                               |                      |
| Restricted net position          | 300,000                       | 300,000              |
| Unrestricted net position        | <u>90,448,441</u>             | <u>97,484,351</u>    |
| <b>Total net position</b>        | <u>\$ 90,748,441</u>          | <u>\$ 97,784,351</u> |

# Statements of Revenues, Expenses and Changes in Net Position

## Proprietary Funds

Years Ended June 30, 2021 and 2020

|  | <u>Internal Service Funds</u> |                      |
|--|-------------------------------|----------------------|
|  | <u>2021</u>                   | <u>2020</u>          |
| <b>Operating Revenues</b>              |                               |                      |
| Self insurance premiums                |                               |                      |
| Highway workers' compensation          | \$ 7,484,625                  | \$ 6,000,000         |
| Highway patrol workers' compensation   | 2,400,000                     | 2,400,000            |
| Highway fleet vehicle liability        | 1,284,625                     | 2,000,000            |
| Highway general liability              | 3,984,621                     | 9,000,000            |
| Medical insurance premiums             |                               |                      |
| State                                  | 93,272,710                    | 94,007,947           |
| Member                                 | 47,262,665                    | 47,366,126           |
| Other                                  | <u>14,759,337</u>             | <u>11,050,559</u>    |
| <b>Total operating revenues</b>        | <u>170,448,583</u>            | <u>171,824,632</u>   |
| <b>Operating Expenses</b>              |                               |                      |
| Self insurance programs                |                               |                      |
| Highway workers' compensation          | 6,501,746                     | 10,769,467           |
| Highway patrol workers' compensation   | 3,728,938                     | 3,298,735            |
| Highway fleet vehicle liability        | 2,779,788                     | (2,539,091)          |
| Highway general liability              | 14,180,078                    | 586,004              |
| Other                                  | 950,701                       | 1,039,606            |
| Medical and life insurance program     |                               |                      |
| Insurance premiums                     | 7,269,205                     | 7,650,863            |
| Medical benefits                       | 99,356,352                    | 90,733,645           |
| Prescription drug benefits             | 35,750,253                    | 34,708,343           |
| Professional fees                      | 960,296                       | 1,050,429            |
| Administrative services                | <u>6,338,875</u>              | <u>6,606,048</u>     |
| <b>Total operating expenses</b>        | <u>177,816,232</u>            | <u>153,904,049</u>   |
| <b>Operating income (loss)</b>         | <u>(7,367,649)</u>            | <u>17,920,583</u>    |
| <b>Nonoperating Revenues</b>           |                               |                      |
| Net appreciation and investment income | <u>331,739</u>                | <u>5,395,774</u>     |
| <b>Total nonoperating revenues</b>     | <u>331,739</u>                | <u>5,395,774</u>     |
| <b>Changes in Net Position</b>         | (7,035,910)                   | 23,316,357           |
| <b>Net Position, beginning of year</b> | <u>97,784,351</u>             | <u>74,467,994</u>    |
| <b>Net Position, end of year</b>       | <u>\$ 90,748,441</u>          | <u>\$ 97,784,351</u> |

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

**Statements of Cash Flows**  
**Proprietary Funds**  
 Years Ended June 30, 2021 and 2020

|   | <u>Internal Service Funds</u> |                      |
|---|-------------------------------|----------------------|
|   | <u>2021</u>                   | <u>2020</u>          |
| <b>Cash Flows From Operating Activities</b>   |                               |                      |
| Receipts from interfund services provided   | \$ 167,576,694                | \$ 172,120,561       |
| Payments for interfund services used  | (157,405,590)                 | (150,645,807)        |
| Payments to suppliers   | <u>(7,009,894)</u>            | <u>(10,359,155)</u>  |
| Net cash provided by (used in) operating activities   | <u>3,161,210</u>              | <u>11,115,599</u>    |
| <b>Cash Flows From Investing Activities</b>   |                               |                      |
| Proceeds from sale and maturities of investments  | 145,684,025                   | 160,576,846          |
| Purchases of investments  | (149,141,515)                 | (164,494,775)        |
| Interest received   | 2,499,183                     | 3,592,142            |
| Investment fees   | <u>(141,878)</u>              | <u>(140,902)</u>     |
| Net cash provided by (used in) investing activities   | <u>(1,100,185)</u>            | <u>(466,689)</u>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>   | 2,061,025                     | 10,648,910           |
| <b>Cash and Cash Equivalents, beginning of year</b>   | <u>31,418,839</u>             | <u>20,769,929</u>    |
| <b>Cash and Cash Equivalents, end of year</b>   | <u>\$ 33,479,864</u>          | <u>\$ 31,418,839</u> |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b> |                               |                      |
| Operating income (loss)   | \$ (7,367,649)                | \$ 17,920,583        |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities |                               |                      |
| Receivables   | (2,871,889)                   | 295,929              |
| Accounts and claims payable   | 11,607,538                    | (7,163,972)          |
| Unearned revenue  | <u>1,793,210</u>              | <u>63,059</u>        |
| <b>Net cash provided by (used in) operating activities</b>  | <u>\$ 3,161,210</u>           | <u>\$ 11,115,599</u> |
| <b>Noncash Items Impacting Recorded Assets</b>  |                               |                      |
| Increase (decrease) in fair value of investments  | <u>\$ (1,863,397)</u>         | <u>\$ 1,966,435</u>  |

# Statements of Fiduciary Net Position

## Fiduciary Funds

June 30, 2021 and 2020

### Custodial Funds

|                                | <u>2021</u>        | <u>2020</u>        |
|--------------------------------|--------------------|--------------------|
| <b>Assets</b>                  |                    |                    |
| Cash and cash equivalents      | \$7,965,454        | \$7,618,062        |
| Miscellaneous receivables, net | <u>521,513</u>     | <u>506,088</u>     |
| <b>Total assets</b>            | <u>\$8,486,967</u> | <u>\$8,124,150</u> |
| <b>Liabilities</b>             |                    |                    |
| Deposits                       | \$1,256,101        | \$1,242,901        |
| Due to Non-MoDOT state funds   | 521,513            | 506,088            |
| Due to other jurisdictions     | <u>6,709,353</u>   | <u>6,375,161</u>   |
| <b>Total liabilities</b>       | <u>\$8,486,967</u> | <u>\$8,124,150</u> |
| <b>Net Position</b>            | <u>\$ ---</u>      | <u>\$ ---</u>      |

## Statements of Changes in Fiduciary Net Position

### Fiduciary Funds

Years Ended June 30, 2021 and 2020

|   | <u>Custodial Funds</u> |                    |
|---|------------------------|--------------------|
|   | <u>2021</u>            | <u>2020</u>        |
| <b>Additions</b>  |                        |                    |
| Licenses, fees and permit collections<br>for other governments    | \$ 81,727,370          | \$ 79,437,529      |
| Fuel taxes for other governments                                  | 40,765,924             | 41,723,792         |
| Carrier refunds   | <u>2,672,437</u>       | <u>1,618,352</u>   |
| <b>Total additions</b>  | <u>125,165,731</u>     | <u>122,779,673</u> |
| <b>Deductions</b>   |                        |                    |
| Licenses, fees and permit collections<br>due to other governments | 81,727,370             | 79,437,529         |
| Fuel taxes due to other governments                               | 40,765,924             | 41,723,792         |
| Carrier refunds   | <u>2,672,437</u>       | <u>1,618,352</u>   |
| <b>Total deductions</b>   | <u>125,165,731</u>     | <u>122,779,673</u> |
| <b>Net increase (decrease) in Fiduciary<br/>Net Position</b>      | ---                    | ---                |
| <b>Net Position, beginning of year</b>                            | ---                    | ---                |
| <b>Net Position, end of year</b>                                  | \$ ---                 | \$ ---             |

# Notes to the Financial Statements

---





This page intentionally left blank

# INDEX FOR THE NOTES TO THE FINANCIAL STATEMENTS

For the Years Ended June 30, 2021 and 2020

|  | <b>Page</b> |
|--|-------------|
| Note 1 – Summary of Significant Accounting Policies  | 58          |
| (A) Financial Reporting Entity   |             |
| (B) Government-wide and Fund Financial Statements  |             |
| (C) Measurement Focus, Basis of Accounting and Financial Statement Presentation                                    |             |
| (D) Financial Statement Element Attributes   |             |
| Note 2 – Deposits and Investments  | 63          |
| Note 3 – Receivables   | 66          |
| Note 4 – Capital Assets  | 68          |
| Note 5 – Risk Management   | 70          |
| (A) Workers’ Compensation, Vehicle and General Liabilities   |             |
| (B) Other Claims   |             |
| Note 6 – Medical and Life Insurance Plan   | 70          |
| Note 7 – Pension Plan  | 71          |
| (A) General Information about the Pension Plan   |             |
| (B) Actuarial Information  |             |
| (C) Liabilities, Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources<br>Related to Pensions |             |
| Note 8 – Other Postemployment Benefits (OPEB)  | 74          |
| (A) General Information about the OPEB Plan  |             |
| (B) Actuarial Information  |             |
| (C) Liabilities, Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources<br>Related to Pensions |             |
| (D) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources<br>Related to OPEB           |             |
| Note 9 – Financing and Other Obligations   | 77          |
| (A) State Road Bonds   |             |
| (B) Notes Issued   |             |
| (C) Pollution Remediation Obligations  |             |
| Note 10 – Tax Revenues   | 82          |
| Note 11 – Interfund Transactions   | 83          |
| Note 12 – Commitments and Contingencies  | 83          |
| (A) Unemployment Benefits  |             |
| (B) Construction Commitments   |             |
| (C) Loan Commitments   |             |
| (D) Operating Leases   |             |
| (E) Federal Funding  |             |
| Note 13 – Accounting Pronouncements  | 84          |
| Note 14 – Restatement  | 84          |
| Note 15 – CARES Act Funding  | 87          |

## **Note 1: Summary of Significant Accounting Policies**

The State Highway Department was created in 1913 to act as the agent of the state of Missouri (the state) for public roads. The State Highway Commission was created in 1921 with the passage of the Centennial Road Law and was charged with the administration of the network of connecting state highways, including their location, design, construction and maintenance.

In 1979, Missouri voters passed a constitutional amendment merging the State Highway Department with the Department of Transportation. By statute, the resulting department was named the Missouri Highways and Transportation Department. The constitutional amendment gave the Highways and Transportation Commission (the MHTC or Commission) the authority over all state transportation programs and facilities. The Commission is a bipartisan body of six members appointed by the Governor, with the consent of the Senate, for a term of six years. In 1996, by legislative action, the Missouri Highways and Transportation Department became the Missouri Department of Transportation (MoDOT or Department).

In 2002, several functions from other state agencies were combined with MoDOT. This consolidation was the result of legislative action and the Governor's Executive Order, which created the "One-Stop Shop" for motor carrier services (MCS), railroad operators and overdimension and overweight permitting. In 2003, by Governor's Executive Order, the Division of Highway Safety was transferred from the Department of Public Safety to MoDOT. Legislation passed in 2014 to recognize that 2003 reorganization, transferring all the authority, powers, duties, and functions of the Division of Highway Safety relating to the motorcycle safety program, the driver improvement program, the ignition interlock program, and other state highway safety programs from the Department of Public Safety to the Commission and Department. In 2006, the unit that audits motor carrier operators was transferred to MoDOT from the Department of Revenue. This unit is responsible for auditing International Fuel Tax Agreement tax returns and International Registration Plan applications.

### **(A) Financial Reporting Entity**

Governmental Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity*, as amended by GASB Statements 39, 61, and 80, establishes the criteria to be used for defining primary governments, component units and related organizations. The Department does not meet the GASB's criteria to be reported as its own primary government or other stand-alone government and is part of the primary government of the state. Like other state agencies, the Department is included in the financial statements of the state. These financial statements report the funds from which MoDOT spends; therefore, these financial statements do not purport to, and do not present fairly the financial position of the State of Missouri and the changes in its financial position and cash flows, where applicable. The nonmajor Multimodal Fund includes only MoDOT appropriations from the state's General fund. The nonmajor MCS Federal Fund reports the activity of the Motor Carrier Safety Assistance Program.

Certain legally separate organizations are involved in transportation-related projects, such as the Missouri Transportation Finance Corporation (MTFC) and other transportation corporations. Although these organizations cooperate with the Department to meet their objectives and are included in the financial statements of the state as blended or discretely presented component units, they are not part of the Department's defined reporting entity.

The state's Annual Comprehensive Financial Report may be obtained by writing to the state of Missouri, Office of Administration, Division of Accounting, P. O. Box 809, Jefferson City, MO 65102, or may be accessed online at [www.ao.mo.gov/acct](http://www.ao.mo.gov/acct).

### **(B) Government-wide and Fund Financial Statements**

#### **1. Government-wide Financial Statements**

The government-wide statements of net position and statements of activities report the overall financial activities of the Department, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. The financial activities of the Department consist only of governmental activities, which are primarily supported by state taxes and intergovernmental revenues.

The Department administers a single program – transportation. The statements of activities demonstrate the degree to which the direct expenses of that function are offset by program revenues. Direct expenses are those that are clearly identifiable with the function. Program revenues include (a) charges paid by the recipients of goods or services offered by the program and (b) grants and contributions that are restricted to meeting the operational or capital requirements of the program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

## 2. Fund Financial Statements

The fund financial statements provide information about the Department's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Department reports the following governmental funds:

**State Highways and Transportation Department Fund (Highway Fund)** – This special revenue fund was established by Section 226.200, Revised Statutes of Missouri (RSMo.) to receive revenues derived from the use of state highways. This fund pays the costs incurred to collect that revenue, to administer and enforce any state motor vehicle laws or traffic regulations and to provide other related functions.

**State Road Fund (Road Fund)** – This special revenue fund was constitutionally established to receive monies from the state's motor vehicle sales tax, the federal government, transfers from the Highway Fund and other related revenues. Disbursements consist of costs incurred to construct, improve and maintain the state highway system and for debt service payments.

**State Road Bond Fund** – This debt service fund was constitutionally established to receive monies from the state's motor vehicle sales tax. Monies are used for the repayment of bonds issued by the Commission to fund the construction and reconstruction of the state highway system or for refunded bonds.

**Nonmajor Funds** – The remaining funds are considered nonmajor. They are special revenue funds, which account for grants and other resources whose use is restricted for a particular purpose.

The Department reports the following additional fund types:

**Internal Service Funds** – These proprietary funds account for the financing of services provided to other funds within the Department and other participating agencies on a cost-reimbursement basis. These funds are used to account for medical and life insurance coverage and self insurance activities. Department activity comprises the majority of these funds. These funds are included in the government-wide statements by eliminating off-setting revenues and expenses.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the Department. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Department's activities. These fiduciary funds account for monies held on behalf of various political subdivisions and other interested parties.

### (C) Measurement Focus, Basis of Accounting and Financial Statement Presentation

#### 1. Government-wide Financial Statements

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions in which the Department gives (or receives) value without directly receiving (or giving) equal value in exchange include fuel taxes, sales taxes, Medicare Part D gap coverage federal subsidies, grants, entitlements and donations. On an accrual basis, revenues from fuel taxes and sales taxes are recognized in the fiscal year in which the underlying exchange transaction occurs. Revenues from Medicare Part D gap coverage, based on the current funding levels from the federal government, are recognized in the fiscal year in which the revenue-generating transactions occur. Because potential retroactive adjustments to the federal subsidies are not measurable, revenue impacts are recognized in the fiscal period in which adjustments are made by the federal government. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

## **2. Fund Financial Statements**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, all revenue sources are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department, consistent with the state of Missouri, considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are recorded as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The Department's operating revenues and expenses generally result from providing services in connection with the internal service funds' principal ongoing operations. The principal operating revenues are charges for insurance premiums. Operating expenses include self insurance claims, benefits claims, insurance premiums and administrative expenses. Investment income is reported as nonoperating revenue.

When both restricted and unrestricted resources are available for use, it is the Department's policy to use restricted resources first, then unrestricted resources as needed.

Fiduciary funds report the custodial funds of the Department in accordance with GASB 84 *Fiduciary Activities*.

### **(D) Financial Statement Element Attributes**

#### **1. Cash and Cash Equivalents and Investments**

Cash and cash equivalents include:

- Cash
- Repurchase agreements, which are investments with original maturities of three months or less
- Pooled monies, including pooled investments, with the State Treasurer's Office

Investments are valued at fair value.

#### **2. Inventories**

Inventories, primarily consisting of maintenance materials, are valued at cost using the weighted average method. Inventories are recorded in the governmental funds as expenditures when consumed rather than when purchased.

#### **3. Interfund Transactions**

The Department reports the following types of interfund transactions:

**Interfund services provided and used** – This consists of sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and as expenditures or expenses in purchaser funds. This internal activity is included in the government-wide statements by eliminating off-setting revenues and expenses.

**Transfers** – This consists of flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

#### **4. Capital Assets**

Capital assets, such as land, buildings, equipment and infrastructure assets, are reported at cost (or estimated historical cost) as governmental activities in the government-wide financial statements. Infrastructure assets are those assets that are normally immovable and of value to the citizens of the state of Missouri, such as roads, bridges, streets and sidewalks, drainage systems, lighting systems and similar items. The Department capitalizes assets with an expected useful life of more than one year with a cost greater than \$1,000 for equipment, \$5,000 for software and \$15,000 for buildings and land improvements. No dollar threshold is set for land, easements and infrastructure. Donated capital assets are recorded at their acquisition value at the date of the donation.

Capital assets utilized in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense, including amortization of leased capital and intangible assets, is recorded in the government-wide financial statements.

Capital assets are depreciated or amortized on the straight-line method over the asset's estimated useful life. There is no depreciation recorded for land, permanent easements, software in progress, construction in progress and infrastructure in progress. Generally, estimated useful lives are as follows:

|                                   |                |
|-----------------------------------|----------------|
| Vehicles, machinery and equipment | 1 to 20 years  |
| Buildings and other improvements  | 10 to 50 years |
| Infrastructure                    | 12 to 58 years |
| Software                          | 5 years        |
| Temporary Easements               | 3 years        |

## **5. Deferred Outflows of Resources and Deferred Inflows of Resources**

In addition to assets, financial statements may report a separate section for deferred outflows of resources. Deferred outflows of resources consists of the consumption of net position that is applicable to a future reporting period and so will not be recognized as an outflow of resources until then. Deferred outflows of resources related to refunding long-term debt, certain pension and other postemployment benefits (OPEB) contributions, other pension and OPEB related deferrals and asset retirement obligations are reported in the statement of net position. The deferred bond refunding amount results from the difference in the carrying value of refunded debt and its reacquisition price, and is amortized over the shorter of the life of the refunded or refunding debt. The deferrals related to pension and OPEB obligations include pension and OPEB contributions made to the plan between the measurement date of the pension and OPEB obligations and the end of the fiscal year, differences between projected and actual earnings on pension plan investments and the change in proportional share of MoDOT's participation in the plans. Asset retirement obligations are reported as deferred outflows of resources to be recognized in future years as the disposal costs of nuclear gauges are incurred.

In addition to liabilities, financial statements may report a separate section for deferred inflows of resources. Deferred inflows of resources consists of the acquisition of net position that is applicable to a future reporting period and so will not be recognized as inflow of resources until then. Deferred inflows of resources in the fund financial statements are reported as receivables, when the corresponding revenues are unavailable. Deferred inflows of resources includes federal reimbursements, cost reimbursements and other miscellaneous receivables. For the government-wide financial statements, deferred inflows of resources relate to certain changes in pension and OPEB obligations that are amortized over future periods. Pension-related items that impact deferred inflows of resources in the government-wide financial statements include changes in actuarial assumptions, investment income and demographic/economic assumptions. Other postemployment benefits items that affect deferred inflows of resources include changes in actuarial assumptions. Deferred inflows of resources presented in the government-wide financial statements also include gains on bond refundings amortized over the life of the bond, which is recognized in future periods.

## **6. Deposits and Unearned Revenue**

Deposits consist of amounts held to ensure permit work, such as driveway installations, is completed to MoDOT specifications. Upon approval, the deposits are returned.

Unearned revenue consists of amounts collected in advance of the year in which earned. In the government-wide and governmental funds, local shares of project costs and property sales down-payments are held until work or contract completion. In the internal service funds, employee and employer medical insurance premiums received a month in advance are held for the subsequent month's coverage.

## **7. Compensated Absences**

Under the terms of the Department's personnel policy, Department employees are granted 10 to 14 hours of annual leave per month. Additionally, certain employees can accrue a maximum of 240 hours of compensatory time for unpaid overtime. Employees have accrued annual leave and compensatory time available amounting to \$35,884,491 and \$34,755,599 as of June 30, 2021 and 2020, respectively, recorded in the government-wide financial statements. Because employees are not paid for accumulated sick leave upon retirement or termination, no liability has been recorded for this leave.

## **8. Bond Premiums, Discounts and Issuance Costs**

In the government-wide financial statements, bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when paid.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuances are reported as other financing sources and discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## **9. Pollution Remediation Obligations**

MoDOT estimates the components of expected pollution remediation activities and determines whether expected outlays for those components should be accrued as a liability and expensed or, if appropriate, capitalized. Pollution remediation obligations are measured at the current cost of future activities and are valued using the expected cash flow method, which measures the liability based on probability-weighted amounts. The determined liabilities could change over time due to changes in costs of goods and services, changes in remediation technology or changes in laws and regulations governing the remediation efforts.

## **10. Asset Retirement Obligations**

The Department's financial statements reflect the accrual of asset retirement obligations. The Department's obligation to retire nuclear gauge capital assets totaled \$50,880 and \$43,955 as of June 30, 2021 and 2020, respectively. Nuclear gauges are used to measure physical properties of materials during construction projects. Nuclear density gauges are used to measure density of fill materials to ensure that the embankment, subgrade or other earthwork structures are built within specification to support its intended design load. The nuclear asphalt content gauges are used to determine asphalt content of our mixes to ensure contractor mixes meet design specification. All types of nuclear gauges have the anticipated useful life of 15 years.

## **11. Pensions**

Pension-related expenses, liabilities, deferred outflows of resources and deferred inflows of resources have been determined on the same basis as they are reported by the MoDOT and Patrol Employees' Retirement System (MPERS). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit term. Investments are reported at fair value.

## **12. Other Postemployment Benefits**

Other postemployment benefit-related expenses, liabilities, deferred outflows of resources and deferred inflows of resources have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit term.

## **13. Fund Balances**

In the fund financial statements, fund balances are displayed as follows:

**Nonspendable** – This consists of State Road Fund balances of \$41,854,776 and \$36,171,482 at June 30, 2021 and 2020 respectively, representing inventories held.

**Unassigned** – This consists of deficit fund balances in the Multimodal Federal Fund of \$1,510,578 and \$1,063,587 as of June 30, 2021 and 2020, respectively. The deficit fund balance consists of federal funds that have been returned from local entities specifically to be used for aviation projects and transit vehicles.

**Restricted** – This consists of fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Total restricted fund balances of \$1,437,257,083 and \$1,087,153,867 (as restated) at June 30, 2021 and 2020, respectively, were restricted by enabling legislation.

## 14. Net Position

In the government-wide and proprietary fund financial statements, net position is displayed as follows:

**Net Investment in Capital Assets** – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

**Restricted** – This consists of assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Total restricted net position at June 30, 2021 and 2020, \$300,000 and \$300,000, respectively, were restricted by enabling legislation or by outside parties.

**Unrestricted** – This consists of the net amount of assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. The unrestricted net position deficits at June 30, 2021 and June 30, 2020, \$211,708,443 and \$540,436,440 (as restated), respectively, were a result of the inclusion of the net pension liability and other postemployment benefits liability.

## 15. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses or expenditures and other changes in net position or fund balances during the reporting period. Actual results could differ from those estimates.

## Note 2: Deposits and Investments

Cash and investments include amounts held by the State Treasurer's Office as required by the state constitution for all state funds of the primary government. Interest income earned on cash and investments in the State Treasury is allocated to the funds based on the respective investment and cash balances. In addition, cash and investments also include funds held in depository banks, as allowed by state statute.

By policy, investments may include linked deposits, certificates of deposit, commercial paper, bankers' acceptances, repurchase agreements and reverse repurchase agreements, U.S. Treasury obligations and federal agency securities. The Department's investments are reported at fair value. While the majority of the Department's investments are pooled in the State Treasury or with the Department of Revenue, a portion is held at banks outside those state agencies. At June 30, 2021 and 2020, the Department's portfolio of non-pooled funds had \$154,666,639 and \$153,072,547, respectively, of uninsured, unregistered investments held in the Commission's or State's name. Also, at June 30, 2021 and 2020, the Department had book balances of \$33,464,601 and \$31,403,446, respectively, and bank balances of \$34,044,846 and \$34,710,157, respectively, of repurchase agreements. All repurchase agreements were collateralized by securities held by a financial institution's trust department in the Commission's or State's name.

**Interest Rate Risk** – The State Treasurer's Office policy states it will minimize the risk that the market value of investments will fall due to changes in general interest rates by maintaining an effective duration of less than 2.5 years and holding at least 25.0 percent of the portfolio's total market value in securities with a maturity of 12 months or less. MoDOT's policy for the investment portfolios of non-pooled funds states they are to be structured so securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. At June 30, 2021 and June 30, 2020, the total non-pooled investments of \$154,451,409 and \$152,852,054, respectively, were highly sensitive to interest rate changes because the investments are callable or subject to prepayment. The effective maturities are disclosed based on assumptions provided by the Department's investment advisor.

**Credit Risk** – The State Treasurer's Office policy states it will minimize the risk of loss due to the failure of a security issuer or backer by pre-approving financial institutions, companies, brokers and dealers and conducting regular credit monitoring and due diligence. MoDOT's policy for the investment portfolios of non-pooled funds states they are to be limited to the safest types of securities, as described above. The policies for both portfolios require diversification so potential losses on individual securities will be minimized.

**Concentration of Credit Risk** – The policies of both the State Treasurer's Office and the Department state investments are to be diversified and limits are set to minimize the risk of loss resulting from excess concentration in a specific maturity, issuer or class of security. The asset allocation is periodically reviewed by the State Treasurer and the Department's investment advisor. At June 30, 2021 and 2020, no investments in any one organization (other than those issued or sponsored by the U.S. Government and those in pooled investments) represented 5.0 percent of total investments.



At June 30, 2021, the Department's cash and investments consisted of the following:

|   | <b>State<br/>Highways and<br/>Transportation<br/>Department<br/>Fund</b> | <b>State Road<br/>Fund</b> | <b>State Road<br/>Bond Fund</b> | <b>Nonmajor<br/>Funds</b> | <b>Internal<br/>Service<br/>Funds</b> | <b>Fiduciary<br/>Funds</b> |
|---|--|----------------------------|---------------------------------|---------------------------|---------------------------------------|----------------------------|
| Cash and investments:                                     |  |                            |                                 |                           |                                       |                            |
| Cash and investments pooled in the State Treasury         | \$ 28,151,293  | \$1,168,956,570            | \$77,586,404                    | \$22,590,221              | \$ ---                                | \$ ---                     |
| Cash deposited with banks                                 | ---  | 111,516,253                | ---                             | ---                       | 15,263                                | ---                        |
| U.S. agency obligations                                   | ---  | ---                        | ---                             | ---                       | 154,451,409                           | ---                        |
| U.S. Treasury obligations                                 | ---  | ---                        | ---                             | ---                       | 15,230                                | ---                        |
| Repurchase agreements                                     | ---  | ---                        | ---                             | ---                       | 33,464,601                            | ---                        |
| Total   | <u>\$ 28,151,293</u>   | <u>\$1,280,472,823</u>     | <u>\$77,586,404</u>             | <u>\$22,590,221</u>       | <u>\$187,946,503</u>                  | <u>\$ ---</u>              |
| Restricted assets:  |  |                            |                                 |                           |                                       |                            |
| Cash and investments pooled in the State Treasury         | \$ ---   | \$ 18,539,000              | \$ ---                          | \$ ---                    | \$ ---                                | \$ ---                     |
| Cash and investments pooled with the Mo. Dept. of Revenue | ---  | ---                        | ---                             | ---                       | ---                                   | 7,965,454                  |
| U.S. Treasury obligations                                 | ---  | ---                        | ---                             | ---                       | 200,000                               | ---                        |
| Certificate of deposit                                    | ---  | ---                        | ---                             | ---                       | 100,000                               | ---                        |
| Total   | <u>\$ ---</u>  | <u>\$ 18,539,000</u>       | <u>\$ ---</u>                   | <u>\$ ---</u>             | <u>\$ 300,000</u>                     | <u>\$7,965,454</u>         |

At June 30, 2020, as restated, the Department's cash and investments consisted of the following:

|   | <b>State<br/>Highways and<br/>Transportation<br/>Department<br/>Fund<br/>(as restated)</b> | <b>State Road<br/>Fund</b> | <b>State Road<br/>Bond Fund</b> | <b>Nonmajor<br/>Funds</b> | <b>Internal<br/>Service<br/>Funds</b> | <b>Fiduciary<br/>Funds</b> |
|---|--|----------------------------|---------------------------------|---------------------------|---------------------------------------|----------------------------|
| Cash and investments:                                     |  |                            |                                 |                           |                                       |                            |
| Cash and investments pooled in the State Treasury         | \$30,523,841   | \$874,356,591              | \$32,039,156                    | \$23,683,185              | \$ ---                                | \$ ---                     |
| Cash deposited with banks                                 | ---  | 34,731,159                 | ---                             | ---                       | 15,393                                | ---                        |
| U.S. agency obligations                                   | ---  | ---                        | ---                             | ---                       | 152,852,054                           | ---                        |
| U.S. Treasury obligations                                 | ---  | ---                        | ---                             | ---                       | 20,493                                | ---                        |
| Repurchase agreements                                     | ---  | ---                        | ---                             | ---                       | 31,403,446                            | ---                        |
| Total   | <u>\$30,523,841</u>  | <u>\$909,087,750</u>       | <u>\$32,039,156</u>             | <u>\$23,683,185</u>       | <u>\$184,291,386</u>                  | <u>\$ ---</u>              |
| Restricted assets:  |  |                            |                                 |                           |                                       |                            |
| Cash and investments pooled in the State Treasury         | \$ ---   | \$ 18,545,000              | \$ ---                          | \$ ---                    | \$ ---                                | \$ ---                     |
| Cash and investments pooled with the Mo. Dept. of Revenue | ---  | ---                        | ---                             | ---                       | ---                                   | 7,618,062                  |
| U.S. Treasury obligations                                 | ---  | ---                        | ---                             | ---                       | 200,000                               | ---                        |
| Certificate of deposit                                    | ---  | ---                        | ---                             | ---                       | 100,000                               | ---                        |
| Total   | <u>\$ ---</u>  | <u>\$ 18,545,000</u>       | <u>\$ ---</u>                   | <u>\$ ---</u>             | <u>\$ 300,000</u>                     | <u>\$7,618,062</u>         |

The maturities of mortgage-backed investments have been estimated based on the weighted average life of the investment type. Estimated maturities will differ from actual maturities because issuers may have the right to call or prepay obligations.

The Department categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs comprised of quoted prices for similar assets or liabilities in active markets. Level 3 inputs are significant unobservable inputs. The Department's participation in the State Treasurer's Office cash and investment pool is reported at fair value based on the Department's proportional share of the pool's assets, which is the equivalent of net asset value. Accordingly, the cash and investments within the State Treasurer's Office pool are not categorized as being level 1, 2 or 3. The State Treasurer's Office redeems securities upon request.

At June 30, 2021, MoDOT's investments held in depository banks have the following average maturities and ratings:

| <u>Investment by Type</u> | <u>Rating</u>  |                | <u>Total Investments</u> | <u>Investment Maturities (in years)</u> |                      |                   | <u>Fair Value Measurements</u> |                      |
|---------------------------|----------------|----------------|--------------------------|---|----------------------|-------------------|--------------------------------|----------------------|
|                           | <u>Moody's</u> | <u>S&amp;P</u> |                          | <u>Less than 1 year</u>                 | <u>1-5 years</u>     | <u>6-10 years</u> | <u>Level 1</u>                 | <u>Level 2</u>       |
| Repurchase agreements     | Aaa            | AA+            | \$ 33,464,601            | \$33,464,601                            | \$ ---               | \$ ---            | \$ ---                         | \$ 33,464,601        |
| U.S. Treasury obligations | Aaa            | AA+            | 215,230                  | ---                                     | 215,230              | ---               | 215,230                        | ---                  |
| U.S. agency obligations   | Aaa            | AA+            | <u>154,451,409</u>       | <u>10,249,365</u>                       | <u>144,202,044</u>   | ---               | ---                            | <u>154,451,409</u>   |
|                           |                |                | <u>\$188,131,240</u>     | <u>\$43,713,966</u>                     | <u>\$144,417,274</u> | <u>\$ ---</u>     | <u>\$215,230</u>               | <u>\$187,916,010</u> |

At June 30, 2020, MoDOT's investments held in depository banks have the following average maturities and ratings:

| <u>Investment by Type</u> | <u>Rating</u>  |                | <u>Total Investments</u> | <u>Investment Maturities (in years)</u> |                      |                   | <u>Fair Value Measurements</u> |                      |
|---------------------------|----------------|----------------|--------------------------|---|----------------------|-------------------|--------------------------------|----------------------|
|                           | <u>Moody's</u> | <u>S&amp;P</u> |                          | <u>Less than 1 year</u>                 | <u>1-5 years</u>     | <u>6-10 years</u> | <u>Level 1</u>                 | <u>Level 2</u>       |
| Repurchase agreements     | Aaa            | AA+            | \$ 31,403,446            | \$31,403,446                            | \$ ---               | \$ ---            | \$ ---                         | \$ 31,403,446        |
| U.S. Treasury obligations | Aaa            | AA+            | 220,493                  | ---                                     | 220,493              | ---               | 220,493                        | ---                  |
| U.S. agency obligations   | Aaa            | AA+            | <u>152,852,054</u>       | <u>13,399,562</u>                       | <u>139,452,492</u>   | ---               | ---                            | <u>152,852,054</u>   |
|                           |                |                | <u>\$184,475,993</u>     | <u>\$44,803,008</u>                     | <u>\$139,672,985</u> | <u>\$ ---</u>     | <u>\$220,493</u>               | <u>\$184,255,500</u> |

**Note 3: Receivables**

The reimbursement receivables consist of billings to outside entities for repayment of expenditures incurred by MoDOT. Also included are miscellaneous receivables from contractors and others. The reimbursement receivables are shown net of an allowance for doubtful accounts of \$480,790 and \$483,642 at June 30, 2021 and 2020, respectively. The Department provides an allowance based upon a review of the outstanding receivables, historical collection information and existing economic conditions.

The contributions receivable consists of amounts due from participating employers and members in the Department's insurance and risk management plans. The federal government receivable represents funds to be received on federally-participating projects. The loans receivable represents loans to cities and counties for nonhighway-related projects, such as airport improvements.

Receivables at June 30, 2021 for the government's individual major funds, nonmajor funds and internal service funds were as follows (continued on next page):

|                      | <b>State Highways<br/>and<br/>Transportation<br/>Department<br/>Fund</b> | <b>State Road<br/>Fund</b> | <b>State<br/>Road Bond<br/>Fund</b> | <b>Nonmajor<br/>Funds</b> |
|----------------------|--|----------------------------|-------------------------------------|---------------------------|
| State taxes and fees | \$113,719,021  | \$ 26,921,604              | \$ 18,416,549                       | \$ 804,737                |
| Federal government   | ---  | 84,834,807                 | 2,372,652                           | 16,626,477                |
| Miscellaneous:       |  |                            |                                     |                           |
| Reimbursements       | 706,059  | 6,848,296                  | ---                                 | 26,277                    |
| Interest             | 53,608   | 1,093,944                  | 96,581                              | 18,541                    |
| Contributions        | ---  | ---                        | ---                                 | ---                       |
| Total miscellaneous  | <u>759,667</u>   | <u>7,942,240</u>           | <u>96,581</u>                       | <u>44,818</u>             |
| Loans                | ---  | ---                        | ---                                 | 639,370                   |
| Total receivables    | <u>\$114,478,688</u>   | <u>\$119,698,651</u>       | <u>\$20,885,782</u>                 | <u>\$18,115,402</u>       |

Receivables at June 30, 2020, as restated, for the government's individual major funds, nonmajor funds and internal service funds were as follows (continued on next page):

|                      | <b>State Highways<br/>and<br/>Transportation<br/>Department<br/>Fund<br/>(as restated)</b> | <b>State Road<br/>Fund<br/>(as restated)</b> | <b>State<br/>Road Bond<br/>Fund</b> | <b>Nonmajor<br/>Funds<br/>(as restated)</b> |
|----------------------|--|--|-------------------------------------|---|
| State taxes and fees | \$105,722,599  | \$ 32,611,429                                | \$22,595,235                        | \$ 787,818                                  |
| Federal government   | ---  | 94,316,188                                   | ---                                 | 7,725,970                                   |
| Miscellaneous:       |  |  |                                     |   |
| Reimbursements       | 1,132,205  | 10,061,506                                   | ---                                 | 3,890,113                                   |
| Interest             | 128,120  | 2,242,449                                    | 174,462                             | 35,694                                      |
| Contributions        | ---  | ---  | ---                                 | ---   |
| Total miscellaneous  | <u>1,260,325</u>   | <u>12,303,955</u>                            | <u>174,462</u>                      | <u>3,925,807</u>                            |
| Loans                | ---  | ---  | ---                                 | 821,277                                     |
| Total receivables    | <u>\$106,982,924</u>   | <u>\$139,231,572</u>                         | <u>\$22,769,697</u>                 | <u>\$13,260,872</u>                         |

Receivables at June 30, 2021 for the government's individual major funds, nonmajor funds and internal service funds were as follows (continued from prior page):

|                      | <u>Internal<br/>Service<br/>Funds</u> | <u>Total</u>          | <u>Due Within<br/>One Year</u> |
|----------------------|---------------------------------------|-----------------------|--------------------------------|
| State taxes and fees | \$ ---                                | \$ 159,861,911        | \$ 159,861,911                 |
| Federal government   | ---                                   | 103,833,936           | 103,833,936                    |
| Miscellaneous:       |                                       |                       |                                |
| Reimbursements       | 3,255,570                             | 10,836,202            | 10,836,202                     |
| Interest             | 231,993                               | 1,494,667             | 1,494,667                      |
| Contributions        | <u>1,960,168</u>                      | <u>1,960,168</u>      | <u>1,960,168</u>               |
| Total miscellaneous  | <u>5,447,731</u>                      | <u>14,291,037</u>     | <u>14,291,037</u>              |
| Loans                | ---                                   | <u>639,370</u>        | <u>128,282</u>                 |
| Total receivables    | <u>\$5,447,731</u>                    | <u>\$ 278,626,254</u> | <u>\$278,115,166</u>           |

Receivables at June 30, 2020, as restated, for the government's individual major funds, nonmajor funds and internal service funds were as follows (continued from prior page):

|                      | <u>Internal<br/>Service<br/>Funds</u> | <u>Total<br/>(as restated)</u> | <u>Due Within<br/>One Year<br/>(as restated)</u> |
|----------------------|---------------------------------------|--------------------------------|--|
| State taxes and fees | \$ ---                                | \$ 161,717,081                 | \$ 161,717,081                                   |
| Federal government   | ---                                   | 102,042,158                    | 102,042,158                                      |
| Miscellaneous:       |                                       |                                |  |
| Reimbursements       | 360,040                               | 15,443,864                     | 15,443,864                                       |
| Interest             | 394,161                               | 2,974,886                      | 2,974,886  |
| Contributions        | <u>1,983,809</u>                      | <u>1,983,809</u>               | <u>1,983,809</u>                                 |
| Total miscellaneous  | <u>2,738,010</u>                      | <u>20,402,923</u>              | <u>20,402,923</u>                                |
| Loans                | ---                                   | <u>821,277</u>                 | <u>149,831</u>                                   |
| Total receivables    | <u>\$2,738,010</u>                    | <u>\$284,983,075</u>           | <u>\$284,311,629</u>                             |

**Note 4: Capital Assets**

Changes in capital assets for the year ended June 30, 2021 are summarized below:

|   | <u>Beginning<br/>Balance</u> | <u>Additions</u>      | <u>Deletions/<br/>Retirements</u> | <u>Transfers</u>     | <u>Ending<br/>Balance</u> |
|---|------------------------------|-----------------------|-----------------------------------|----------------------|---------------------------|
| <b>Nondepreciable capital assets</b>              |                              |                       |                                   |                      |                           |
| Land and permanent easements                      | \$ 2,625,858,099             | \$ 3,701,265          | \$ 5,600,885                      | \$ 2,498,100         | \$ 2,626,456,579          |
| Software in progress                              | 7,062,255                    | 900,242               | ---                               | (125,006)            | 7,837,491                 |
| Construction in progress                          | 32,411,343                   | 24,214,323            | ---                               | (12,202,781)         | 44,422,885                |
| Infrastructure in progress                        | <u>1,882,418,283</u>         | <u>941,644,209</u>    | <u>---</u>                        | <u>(883,617,539)</u> | <u>1,940,444,953</u>      |
| Total nondepreciable capital assets               | <u>4,547,749,980</u>         | <u>970,460,039</u>    | <u>5,600,885</u>                  | <u>(893,447,226)</u> | <u>4,619,161,908</u>      |
| <b>Depreciable/amortizable capital assets</b>     |                              |                       |                                   |                      |                           |
| Land improvements                                 | 30,429,785                   | 128,970               | ---                               | 422,947              | 30,981,702                |
| Buildings   | 290,179,900                  | 1,040,563             | 95,603                            | 9,281,734            | 300,406,594               |
| Software  | 30,845,772                   | 1,629,626             | 2,544,977                         | 125,006              | 30,055,427                |
| Equipment and vehicles                            | 577,735,462                  | 44,600,981            | 16,420,295                        | ---                  | 605,916,148               |
| Temporary easements                               | 1,543,308                    | 1,770,910             | 285,846                           | ---                  | 3,028,372                 |
| Infrastructure                                    | <u>52,044,786,315</u>        | <u>---</u>            | <u>84,226,865</u>                 | <u>883,617,539</u>   | <u>52,844,176,989</u>     |
| Total depreciable/amortizable capital assets      | <u>52,975,520,542</u>        | <u>49,171,050</u>     | <u>103,573,586</u>                | <u>893,447,226</u>   | <u>53,814,565,232</u>     |
| <b>Accumulated depreciation/amortization</b>      |                              |                       |                                   |                      |                           |
| Land improvements                                 | 18,809,561                   | 1,064,905             | ---                               | ---                  | 19,874,466                |
| Buildings   | 147,644,173                  | 7,903,029             | 95,603                            | ---                  | 155,451,599               |
| Software  | 24,675,378                   | 2,753,502             | 2,398,660                         | ---                  | 25,030,220                |
| Equipment and vehicles                            | 366,111,464                  | 31,892,633            | 15,539,990                        | ---                  | 382,464,107               |
| Temporary easements                               | 273,487                      | 501,484               | 285,846                           | ---                  | 489,125                   |
| Infrastructure                                    | <u>25,848,011,722</u>        | <u>548,027,997</u>    | <u>81,999,985</u>                 | <u>---</u>           | <u>26,314,039,734</u>     |
| Total accumulated depreciation/amortization       | <u>26,405,525,785</u>        | <u>592,143,550</u>    | <u>100,320,084</u>                | <u>---</u>           | <u>26,897,349,251</u>     |
| Total depreciable/amortizable capital assets, net | <u>26,569,994,757</u>        | <u>(542,972,500)</u>  | <u>3,523,502</u>                  | <u>893,447,226</u>   | <u>26,917,215,981</u>     |
| Total net capital assets                          | <u>\$31,117,744,737</u>      | <u>\$ 427,487,539</u> | <u>\$ 8,854,387</u>               | <u>\$ ---</u>        | <u>\$31,536,377,889</u>   |

Changes in capital assets for the year ended June 30, 2020, are summarized below:

| <u>Beginning Balance</u> | <u>Additions</u>     | <u>Deletions/<br/>Retirements</u> | <u>Transfers</u>     | <u>Ending Balance</u>   |
|--------------------------|----------------------|-----------------------------------|----------------------|-------------------------|
| \$ 2,625,904,093         | \$ 1,911,784         | \$ 2,241,837                      | \$ 284,059           | \$ 2,625,858,099        |
| 4,672,808                | 2,389,447            | ---                               | ---                  | 7,062,255               |
| 21,184,852               | 13,745,959           | ---                               | (2,519,468)          | 32,411,343              |
| <u>1,700,358,731</u>     | <u>945,973,057</u>   | <u>---</u>                        | <u>(763,913,505)</u> | <u>1,882,418,283</u>    |
| <u>4,352,120,484</u>     | <u>964,020,247</u>   | <u>2,241,837</u>                  | <u>(766,148,914)</u> | <u>4,547,749,980</u>    |
| 30,397,027               | ---                  | ---                               | 32,758               | 30,429,785              |
| 286,928,993              | 1,289,124            | 240,868                           | 2,202,651            | 290,179,900             |
| 35,906,226               | 705,032              | 5,765,486                         | ---                  | 30,845,772              |
| 562,041,342              | 35,949,584           | 20,255,464                        | ---                  | 577,735,462             |
| 520,097                  | 1,257,462            | 234,251                           | ---                  | 1,543,308               |
| <u>51,366,456,270</u>    | <u>---</u>           | <u>85,583,460</u>                 | <u>763,913,505</u>   | <u>52,044,786,315</u>   |
| <u>52,282,249,955</u>    | <u>39,201,202</u>    | <u>112,079,529</u>                | <u>766,148,914</u>   | <u>52,975,520,542</u>   |
| 17,672,336               | 1,137,225            | ---                               | ---                  | 18,809,561              |
| 139,814,390              | 7,946,168            | 116,385                           | ---                  | 147,644,173             |
| 27,155,004               | 3,206,027            | 5,685,653                         | ---                  | 24,675,378              |
| 353,878,373              | 31,533,678           | 19,300,587                        | ---                  | 366,111,464             |
| 251,450                  | 256,288              | 234,251                           | ---                  | 273,487                 |
| <u>25,395,621,871</u>    | <u>523,941,606</u>   | <u>71,551,755</u>                 | <u>---</u>           | <u>25,848,011,722</u>   |
| <u>25,934,393,424</u>    | <u>568,020,992</u>   | <u>96,888,631</u>                 | <u>---</u>           | <u>26,405,525,785</u>   |
| <u>26,347,856,531</u>    | <u>(528,819,790)</u> | <u>15,190,898</u>                 | <u>766,148,914</u>   | <u>26,569,994,757</u>   |
| <u>\$30,699,977,015</u>  | <u>\$435,200,457</u> | <u>\$ 17,432,735</u>              | <u>\$ ---</u>        | <u>\$31,117,744,737</u> |

**Note 5: Risk Management**

The Department is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In addition, various lawsuits against the Department arise incident to the Department's normal operations. These risks have been classified as workers' compensation, vehicle liability, general liability, condemnation and inverse condemnation, contractor suits, employment suits, environmental regulatory liability and levy and drainage district suits. It is the policy of the Department to manage its risks internally, with the exception of purchased earthquake and major building insurance policies. No insurance settlements exceeded coverage in the last three years. In addition, all state employees and officers are covered by the state's Legal Expense Fund.

**(A) Workers' Compensation, Vehicle and General Liabilities**

The Department sets aside assets for the settlement of workers' compensation, vehicle liability and general liability claims in an internal service fund, the MHTC Self Insurance Fund. Section 537.610, RSMo. limits the liability of the state and its public entities on claims within the scope of Sections 537.600 to 537.650, RSMo., except for those claims governed by the provisions of the Missouri Workers' Compensation Law, Chapter 287, RSMo. The limits were \$2,940,868 and \$2,905,664 for all claims arising out of a single accident or occurrence, and \$441,130 and \$435,849 for any one person in a single accident or occurrence, at June 30, 2021 and 2020, respectively, as set by the Missouri Department of Insurance.

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 percent.

Changes in pending self insurance claims and incurred but not reported claims for workers' compensation, vehicle and general liability during the past three years are:

|      | <u>Beginning<br/>Balance</u> | <u>Current Claims<br/>and Estimate<br/>Changes</u> | <u>Claim<br/>Payments</u> | <u>Ending<br/>Balance</u> |
|------|------------------------------|--|---------------------------|---------------------------|
| 2021 | \$68,845,193                 | \$27,190,550                                       | \$18,222,991              | \$77,812,752              |
| 2020 | 75,246,093                   | 12,115,115   | 18,516,015                | 68,845,193                |
| 2019 | 81,443,727                   | 11,398,816   | 17,596,450                | 75,246,093                |

**(B) Other Claims**

Claims for condemnation and inverse condemnation, contractor suits, levy and drainage district suits, environmental regulatory liability and employment suits are paid from the State Road Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. As listed in the Financing and Other Obligations note disclosure, the Department has approximately \$160,000 and \$594,047 in claims and judgments payable at June 30, 2021 and 2020, respectively. The Department is involved in other such suits for which no liability has been recorded, as a probable loss has not occurred. The aggregate potential liability of all claims deemed probable or possible to result in a loss was estimated to be approximately \$3,367,000 and \$3,801,000 as of June 30, 2021 and 2020, respectively. These estimates are within a range of \$834,000 to \$9,519,000 and \$1,806,000 to \$11,959,000 as of June 30, 2021 and 2020, respectively.

**Note 6: Medical and Life Insurance Plan**

The MoDOT and Missouri State Highway Patrol (MSHP) Insurance Plan (the Medical and Life Insurance Plan) Internal Service Fund accounts for the medical coverage provided on a self insured basis and life insurance benefits underwritten by commercial insurance companies. These benefits are available to employees, retirees, certain disabled employees, spouses, certain dependents and survivors of deceased employees and retirees of the Department, the MSHP and the MoDOT and Patrol Employees' Retirement System (MPERS). Changes to plan benefits and funding are required to be approved by the Commission. Incurred but not reported claims of \$11,900,000 and \$10,500,000 were reported in the Medical and Life Insurance Plan as of June 30, 2021 and 2020, respectively.

Claims incurred but not reported represent estimated unreported claims. This liability is established from an actuarial report, which is based on data provided by the Department and claims administrators. Changes in the incurred but not reported claims liability during the past three years are:

|      | <u>Beginning<br/>Balance</u> | <u>Current Claims<br/>and Estimate<br/>Changes</u> | <u>Claim<br/>Payments</u> | <u>Ending<br/>Balance</u> |
|------|------------------------------|--|---------------------------|---------------------------|
| 2021 | \$10,500,000                 | \$135,106,604                                      | \$133,706,604             | \$11,900,000              |
| 2020 | 9,600,000                    | 125,441,989  | 124,541,989               | 10,500,000                |
| 2019 | 12,500,000                   | 120,904,359  | 123,804,359               | 9,600,000                 |

## Note 7: Pension Plan

### (A) General Information about the Pension Plan

#### 1. Plan Description

MPERS provides retirement, death and disability benefits. MPERS was established in accordance with Section 104.020, RSMo., and is administered by an 11-member Board of Trustees. The plan is administered in accordance with the requirements of a cost sharing, multiple-employer, public employee retirement plan under the Revised Statutes of Missouri. MPERS is a part of the state of Missouri financial reporting entity and is included in the State's financial reports as a component unit shown as a pension trust fund. As a separate legal entity, MPERS issues its own stand-alone financial report, which provides detailed information regarding actuarial assumptions and funding progress. Copies may be requested from the MoDOT and Patrol Employees' Retirement System, P.O. Box 1930, Jefferson City, Missouri 65102, or can be found online at [www.mpers.org](http://www.mpers.org).

#### 2. Benefits Provided

Employees eligible to be members of MPERS are those working in a position that normally requires the performance of duties for at least 1,040 hours annually. Benefits are designated by state statute. Any amendments to the plan require changes in state statute. MPERS has three benefit structures known as the Closed Plan, the Year 2000 Plan and the Year 2000 Plan - 2011 Tier.

**Closed Plan** - Employees covered by the Closed Plan are fully vested for benefits upon receiving five years of creditable service. The base benefit in the Closed Plan is equal to 1.6 percent multiplied by the final average pay multiplied by years of creditable service. For members employed prior to August 28, 1997, Cost of Living Allowances (COLAs) are provided annually based on 80.0 percent of the increase in the Consumer Price Index for all urban consumers for the United States (CPI-U). The minimum rate is 4.0 percent and the maximum rate is 5.0 percent, until the cumulative amount of COLAs equals 65.0 percent of the original benefit. Thereafter, the 4.0 percent minimum rate is eliminated and the annual COLA rate will be equal to 80.0 percent of the increase in the CPI-U (annual maximum of 5.0 percent). For members employed on or after August 28, 1997, COLAs are provided annually based on 80.0 percent of the increase in the CPI-U, up to a maximum rate of 5.0 percent. This benefit structure is closed to new entrants.

**Year 2000 Plan** - Employees covered by the Year 2000 Plan are fully vested for benefits upon earning five years of creditable service. The base benefit in the Year 2000 Plan is equal to 1.7 percent multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 80 receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8 percent multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80.0 percent of the increase in the CPI-U, up to a maximum rate of 5.0 percent. This benefit structure is closed to new entrants.

**Year 2000 Plan - 2011 Tier** - Employees covered by the Year 2000 Plan – 2011 Tier are fully vested for benefits upon earning 10 years of creditable service. Legislation passed during the 2017 legislative session reduced the 10-year vesting period for 2011 Tier members to 5 years effective July 1, 2018. The base benefit in the 2011 Tier is equal to 1.7 percent multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 90 receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8 percent multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80.0 percent of the change in the CPI-U, up to a maximum rate of 5.0 percent.



### 3. Contributions

Employer contributions paid to the system are determined by an actuary and are set by the Board. Annual contribution amounts are designed to fund in advance the benefits designated by state statute. Employee contribution amounts are designated by state statute. New employees hired for the first time on or after January 1, 2011 (Year 2000 Plan-2011 Tier) contribute 4.0 percent of their pay. The Department's contributions to MPERS for fiscal years 2021 and 2020 were 58.0 percent and 58.0 percent, respectively, of eligible (covered) payroll. Required employer contributions totaling \$127,707,962 and \$131,366,043 (as restated) for fiscal years 2021 and 2020, respectively, represent funding of normal costs and amortization of the unfunded accrued liability. Actual contributions made were 100.0 percent of required contributions. The fiscal year 2021 contribution rate was based on a 6-year closed amortization period for unfunded retiree liabilities and a 21-year closed amortization period for other unfunded liabilities.

#### (B) Actuarial Information

The total pension liability was determined by actuarial valuations as of June 30, 2020 and 2019, using the following actuarial assumptions, applied to all prior periods included in the measurements:

|                            | <u>2020</u>     | <u>2019</u>     |
|----------------------------|-----------------|-----------------|
| Inflation                  | 2.25%           | 2.25%           |
| Salary increases           | 3.00% to 12.45% | 3.00% to 12.45% |
| Investment rate of return  | 7.00%           | 7.00%           |
| Cost-of-living adjustments | 1.80% compound  | 1.80% compound  |

The mortality tables for 2020, for post-retirement mortality, used in evaluating allowances to be paid to non-disabled pensioners were the RP-2014 Healthy Annuitant Mortality Tables projected to 2022 using projection scales MP-2017. Pre-retirement mortality used was RP-2014 Employee Mortality Tables projected to 2022 using projection scales MP-2017 multiplied by a factor of 65 percent. Post-retirement disabled mortality used was the RP-2014 Disabled Retiree Annuitant Mortality Table projected to 2022 using projection scales MP-2017. All mortality tables include a margin for mortality improvement in the projection to 2022.

The mortality tables for 2019 for postretirement mortality, used in evaluating allowances to be paid to non-disabled pensioners, were the RP2000 Combined Healthy Mortality Tables projected 16 years and set back on year for males and females. Pre-retirement mortality used was 70 percent for males and 50 percent for females of the postretirement tables, set back one year for males and females. Disabled pension mortality was based on Pension Benefit Guaranty Corporation's Disabled Mortality Tables. The healthy mortality tables include a margin for mortality improvement. The margin is in the 16-year projection. The disabled mortality tables do not include a margin for mortality improvement.

The actuarial assumptions used in the 2020 and 2019 valuations were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2017.

The Board of Trustees establishes MPERS' policy in regard to the allocation of invested assets and may amend the policy. The following is MPERS' asset allocation policy as of June 30, 2020 and 2019:

| <u>Asset Class</u> | <u>2020</u> | <u>2019</u> |
|--------------------|-------------|-------------|
| Global equity      | 40.0%       | 40.0%       |
| Private equity     | 10.0        | 10.0        |
| Fixed income       | 22.5        | 22.5        |
| Real assets        | 10.0        | 10.0        |
| Real estate        | 10.0        | 10.0        |
| Hedge funds        | 0.0         | 0.0         |
| Opportunistic debt | 7.5         | 7.5         |
| Cash               | 0.0         | 0.0         |

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 were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(ies). The estimated long-term expected real rates of return for each major asset class included in MPERS' target asset allocation as of June 30, 2020 and 2019 are summarized in the following table:

| <u>Asset Class</u> | <u>2020</u> | <u>2019</u> |
|--------------------|-------------|-------------|
| Global equity      | 3.90%       | 6.00%       |
| Private equity     | 7.20        | 8.90        |
| Fixed income       | 0.30        | 2.10        |
| Opportunistic debt | 4.50        | 5.90        |
| Real assets        | 5.30        | 5.90        |
| Real estate        | 2.40        | 4.60        |

A single discount rate of 7.0 percent was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.0 percent. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member 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 plan members. 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.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the Department's proportional share of the plan's net pension liability, calculated using a single discount rate of 7.0 percent, as well as what the Department's proportional share of the plan's net pension liability would be if it were calculated using a single discount rate that is one-percentage point lower or one-percentage point higher for the valuations as of June 30, 2021 and 2020.

|  | <u>1 Percent Decrease (6.00%)</u> | <u>Current Discount Rate (7.00%)</u> | <u>1 Percent Increase (8.00%)</u> |
|--|-----------------------------------|--------------------------------------|-----------------------------------|
| The Department's proportionate share of the net pension liability 2020 | \$1,380,843,520                   | \$1,083,118,704                      | \$834,328,952                     |
| The Department's proportionate share of the net pension liability 2019 | \$1,302,478,543                   | \$1,006,396,262                      | \$759,289,446                     |

### **(C) Liabilities, Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The Department reported a liability of \$1,083.1 million and \$1,006.4 million for its proportionate share of the net pension liability at June 30, 2021 and 2020, respectively. The net pension liability was measured as of June 30, 2020 and June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of those dates. The Department's proportion of the net pension liability was based on the Department's contributions to the pension plan relative to the contributions of all participating departments, for the respective periods. At June 30, 2020 and 2019, the Department's proportion was 62.59 percent and 62.35 percent, respectively, which was an increase of 0.24 percent from the measurement period of June 30, 2019 to June 30, 2020 and a decrease from the measurement period of June 30, 2018 to June 30, 2019 of 0.04 percent. The Department recognized pension expense of \$128.3 million and \$108.0 million for the years ended June 30, 2021 and 2020, respectively.

The Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | 2021                           |                               | 2020   |                               |
|---|--------------------------------|-------------------------------|--|-------------------------------|
|   | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources (as restated) | Deferred Inflows of Resources |
| Difference between expected and actual experience   | \$ 1,730,348                   | \$9,225,966                   | \$ 96,661                                    | \$21,855,940                  |
| Changes in proportion and differences between employer contributions and share of contributions | 4,896,390                      | 368,483                       | 3,459,362                                    | 896,725                       |
| Net difference between projected and actual investment earnings on pension plan investment      | 75,325,888                     | ---                           | ---  | 9,040,104                     |
| Changes in Actuarial Assumptions  | 28,000,433                     | ---                           | 48,223,288                                   | ---                           |
| Contributions subsequent to measurement date  | <u>127,707,962</u>             | <u>---</u>                    | <u>131,366,043</u>                           | <u>---</u>                    |
| Total   | <u>\$237,661,021</u>           | <u>\$9,594,449</u>            | <u>\$183,145,354</u>                         | <u>\$31,792,769</u>           |

Deferred outflows and inflows of resources resulting from contributions subsequent to the measurement date will be recognized as a change to the net pension liability in each subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending | 2021 Net Deferred Outflows of Resources |
|-------------|---|
| 2022        | \$ 26,609,196                           |
| 2023        | 26,630,223                              |
| 2024        | 24,519,001                              |
| 2025        | <u>22,600,190</u>                       |
| Total       | <u>\$100,358,610</u>                    |

**Note 8: Other Postemployment Benefits (OPEB)**

**(A) General Information about the OPEB Plan**

**1. Plan Description**

The Department provides a portion of healthcare insurance through the Medical and Life Insurance Plan, as discussed in Note 6, Medical and Life Insurance Plan, in accordance with Section 104.270, RSMo. As part of the Medical and Life Insurance Plan, health care benefits are provided to both active employees and retirees. For purposes of reporting OPEB costs and obligations in accordance with GASB Statement 75, the OPEB Insurance Plan (the Plan) is disclosed within the state of Missouri reporting entity as a single employer plan. In the Department’s financial report the Plan is reported as a cost sharing multiple employer plan, as it includes the Department; Missouri State Highway Patrol; and the MoDOT and Patrol Employees Retirement System (MPERS). Only the Department’s proportionate share is shown on the Department’s financial statements.

The Plan 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 criteria for a special funding situation are not met. The plan assets are neither legally protected from creditors nor are they dedicated to providing OPEB benefits. The Department has no legal obligation to pay the benefits, therefore, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

## 2. Benefits Provided

Eligible members are employees who retire 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. The Plan provides healthcare insurance benefits. Coverage categories include retirees, certain disabled employees, spouses, certain dependents and survivors of deceased employees and retirees.

|  |              |
|--|--------------|
| Participants covered by the Plan at June 30, 2020:             |              |
| Retirees or beneficiaries currently receiving benefit payments | 4,701        |
| Retirees entitled to but not yet receiving benefit payments    | 81           |
| Active employees   | <u>5,177</u> |
| Total participants   | <u>9,959</u> |

## 3. Contributions

The medical insurance benefits and employer and member contribution amounts are recommended by the Medical and Life Insurance Plan's Board of Trustees and are approved by the 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 40-57 percent 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 percent per year of service, not to exceed 50 percent of the total premium, with the retiree responsible for the remaining balance of the premiums. Required employer contributions totaling \$17,660,603 and \$17,558,395 were made for fiscal years 2021 and 2020, respectively.

### (B) Actuarial Information

The measurement date of the liability for June 30, 2021 and 2020 was July 1, 2019 and 2018, respectively. The total OPEB liability in the July 1, 2019 and 2018 actuarial valuations were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

|   | <u>2021</u>  | <u>2020</u>  |
|---|--|--|
| Inflation                                 | 2.00%  | 2.00%  |
| Salary increases                          | 2.50%  | 2.50%  |
| Discount rate                             | 2.21%  | 3.51%  |
| Healthcare cost trend rates:              | 6.00% for 2019, decreasing to<br>4.50% through 2025            | 6.00% for 2019, decreasing to<br>4.50% through 2025            |
| Retirees' share of benefit-related costs: | 43-90% of projected health<br>insurance premiums for retirees. | 43-90% of projected health<br>insurance premiums for retirees. |

The inflation rate was based on the actuary's long-term estimate of inflation as of July 1, 2019 and 2018. The salary increases were based on projected salaries, which include COLA's, provided by the Department. The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Bond Index. Mortality rates were based on the Pub-2010 Public Retirement Plans Safety Employees Mortality Table weighted by Headcount project by MP-2020 and Pub-2010 Public Retirement Plans Safety Employees Mortality Table weighted by Headcount projected by MP-2019 for July 1, 2020 and July 1, 2019, respectively. The actuarial assumptions used in July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2019. Changes of assumptions and other inputs reflect a change in the discount rate from 3.51 percent in fiscal year 2020 to 2.21 percent in fiscal year 2021.

The following presents the impact of interest rate sensitivity on the total OPEB liability for the fiscal years ended June 30, 2021 and 2020 for discount rates of 2.21 percent and 3.51 percent, respectively, using a discount rate that is one-percentage-point lower or one-percentage-point higher than the discount rate for each respective year.

|                           | <u>1 Percent Decrease (1.21%)</u> | <u>Current Discount Rate (2.21%)</u> | <u>1 Percent Increase (3.21%)</u> |
|---------------------------|-----------------------------------|--------------------------------------|-----------------------------------|
| Total OPEB liability 2021 | \$1,101,031,168                   | \$935,765,365                        | \$762,698,759                     |
|                           | <u>1 Percent Decrease (2.51%)</u> | <u>Current Discount Rate (3.51%)</u> | <u>1 Percent Increase (4.51%)</u> |
| Total OPEB liability 2020 | \$879,284,474                     | \$738,785,055                        | \$629,437,901                     |

The following illustrates the impact of healthcare cost trend sensitivity on the total OPEB liability for the Department for fiscal year ended June 30, 2021.

| <u>Measurement Date</u><br><u>July 1, 2020</u> | <u>1 Percent Decrease (5.00%)</u> | <u>Current Trend Rates (6.00%)</u> | <u>1 Percent Increase (7.00%)</u> |
|--|-----------------------------------|------------------------------------|-----------------------------------|
| Total OPEB liability                           | \$748,864,175                     | \$935,765,365                      | \$1,122,342,735                   |

The following illustrates the impact of healthcare cost trend sensitivity on the total OPEB liability for the Department for fiscal year ended June 30, 2020.

| <u>Measurement Date</u><br><u>July 1, 2019</u> | <u>1 Percent Decrease (5.00%)</u> | <u>Current Trend Rates (6.00%)</u> | <u>1 Percent Increase (7.00%)</u> |
|--|-----------------------------------|------------------------------------|-----------------------------------|
| Total OPEB liability                           | \$616,380,985                     | \$738,785,055                      | \$899,481,255                     |

**(C) Liabilities, Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The Department's total OPEB Liability is \$935,765,365 and \$738,785,055 at June 30, 2021 and 2020, respectively. The measurement date of the liability for June 30, 2021 and 2020 was July 1, 2019 and 2018, respectively. The liability was based on the population of each employer.

|  | <u>2021</u>           | <u>2020</u>           |
|--|-----------------------|-----------------------|
| Beginning Balance                                  | \$ 738,785,055        | \$ 772,731,539        |
| Changes for the year                               |                       |                       |
| Service cost                                       | 17,404,957            | 24,600,075            |
| Changes of benefit terms                           | ---                   | ---                   |
| Differences between expected and actual experience | (2,646,022)           | (36,657,381)          |
| Interest   | 26,236,725            | 30,519,757            |
| Changes in assumptions or other inputs             | 173,546,064           | (34,827,218)          |
| Benefit payments                                   | <u>(17,561,414)</u>   | <u>(17,581,717)</u>   |
| Net changes  | <u>196,980,310</u>    | <u>(33,946,484)</u>   |
| Balance, June 30                                   | <u>\$ 935,765,365</u> | <u>\$ 738,785,055</u> |

A breakout of the current and noncurrent portion of the total OPEB liability at June 30, 2021 and 2020 is listed below:

|  | <u>2021</u>           | <u>2020</u>           |
|--|-----------------------|-----------------------|
| Other postemployment benefit obligation - current    | \$ 17,610,000         | \$ 17,570,000         |
| Other postemployment benefit obligation - noncurrent | <u>918,155,365</u>    | <u>721,215,055</u>    |
| Total  | <u>\$ 935,765,365</u> | <u>\$ 738,785,055</u> |

**(D) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2021 and 2020, the Department recognized total OPEB expense of \$35,596,635 and \$19,104,238, respectively. A breakdown of the OPEB expense is provided below.

|  | <u>2021</u>          | <u>2020</u>          |
|--|----------------------|----------------------|
| Reconciliation of OPEB Expense                         |                      |                      |
| Beginning Balance                                      | \$ ---               | \$ ---               |
| Service Cost   | 17,404,957           | 24,600,075           |
| Interest   | 26,236,725           | 30,519,757           |
| Amortization of Deferred Inflow Changes in Assumptions | (1,355,375)          | (29,758,987)         |
| Amortization of Deferred Inflow Changes in Liability   |                      |                      |
| (Gain)/Loss  | <u>(6,689,672)</u>   | <u>(6,256,607)</u>   |
| Total OPEB expenses                                    | <u>\$ 35,596,635</u> | <u>\$ 19,104,238</u> |

The Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | 2021                           |                               | 2020                           |                               |
|--|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
|  | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ ---                         | \$ 27,828,964                 | \$ ---                         | \$ 31,872,614                 |
| Changes of assumptions or other inputs             | 145,142,452                    | 80,773,498                    | ---                            | 110,532,485                   |
| Benefit payments subsequent to measurement date    | <u>17,233,493</u>              | ---                           | <u>17,233,493</u>              | ---                           |
| Total  | <u>\$162,478,153</u>           | <u>\$108,602,462</u>          | <u>\$17,233,493</u>            | <u>\$142,405,099</u>          |

Benefit payments subsequent to the measurement date are recognized as a reduction in the total OPEB liability in the Department's subsequent year reporting.

Amounts reported as deferred outflows of resources related to OPEB will be recognized as an increase in OPEB expense as follows:

| <u>Year</u> | <u>2021</u>         |
|-------------|---------------------|
| 2022        | \$ (8,045,047)      |
| 2023        | (8,045,047)         |
| 2024        | 7,779,346           |
| 2025        | 15,433,379          |
| 2026        | 26,340,608          |
| 2027-2031   | <u>3,076,751</u>    |
| Total       | <u>\$36,539,990</u> |

## Note 9: Financing and Other Obligations

Changes in long-term obligations for the year ended June 30, 2021 were as follows:

| <u>Obligation</u>            | <u>Beginning Balance</u> | <u>Additions</u>     | <u>Reductions</u>    | <u>Ending Balance</u>  | <u>Due Within One Year</u> |
|------------------------------|--------------------------|----------------------|----------------------|------------------------|----------------------------|
| State road bonds             | \$1,624,190,000          | \$ ---               | \$215,475,000        | \$ 1,408,715,000       | \$232,500,000              |
| Notes issued                 | ---                      | 136,460              | ---                  | 136,460                | 136,460                    |
| Capital leases               | ---                      | ---                  | ---                  | ---                    | ---                        |
| Claims and judgments         | 594,047                  | ---                  | 434,047              | 160,000                | 160,000                    |
| Compensated absences         | 34,755,599               | 21,240,375           | 20,111,483           | 35,884,491             | 20,111,483                 |
| Pollution remediation        | 4,000                    | ---                  | ---                  | 4,000                  | ---                        |
| Asset retirement obligations | <u>43,955</u>            | <u>7,720</u>         | <u>795</u>           | <u>50,880</u>          | <u>---</u>                 |
|                              | <u>\$1,659,587,601</u>   | <u>\$ 21,384,555</u> | <u>\$236,021,325</u> | <u>\$1,444,950,831</u> | <u>\$252,907,943</u>       |
| Unamortized premium          |                          |                      |                      | <u>57,555,510</u>      |                            |
|                              |                          |                      |                      | <u>\$1,502,506,341</u> |                            |

Changes in long-term obligations for the year ended June 30, 2020, as restated, were as follows:

| <u>Obligation</u>            | <u>Beginning Balance</u> | <u>Additions</u>     | <u>Reductions</u>    | <u>Ending Balance</u>  | <u>Due Within One Year</u> |
|------------------------------|--------------------------|----------------------|----------------------|------------------------|----------------------------|
| State road bonds             | \$1,614,420,000          | \$178,370,000        | \$168,600,000        | \$1,624,190,000        | \$215,475,000              |
| Notes issued                 | 644,499                  | ---                  | 644,499              | ---                    | ---                        |
| Capital leases               | 1,024                    | ---                  | 1,024                | ---                    | ---                        |
| Claims and judgments         | 1,035,000                | 444,047              | 885,000              | 594,047                | 400,000                    |
| Compensated absences         | 34,007,798               | 23,341,022           | 22,593,221           | 34,755,599             | 22,593,221                 |
| Pollution remediation        | 4,000                    | ---                  | ---                  | 4,000                  | ---                        |
| Asset retirement obligations | <u>43,955</u>            | <u>---</u>           | <u>---</u>           | <u>43,955</u>          | <u>---</u>                 |
|                              | <u>\$1,650,156,276</u>   | <u>\$202,155,069</u> | <u>\$192,723,744</u> | <u>\$1,659,587,601</u> | <u>\$238,468,221</u>       |
| Unamortized premium          |                          |                      |                      | <u>81,926,995</u>      |                            |
|                              |                          |                      |                      | <u>\$1,741,514,596</u> |                            |

Information related to claims and judgments and compensated absences can be found in the Summary of Significant Accounting Policies Note and the Risk Management Note.

Payments on State Road bonds are made from the State Road Fund and the State Road Bond Fund. Compensated absences are made by the governmental funds from which the related salaries are paid. All other long-term obligation payments are liquidated from the State Road Fund.

House Bill 1742, signed by the Governor on May 30, 2000, authorized the Department to issue bonds of \$2.25 billion through 2006, with no more than \$500.0 million issued in any one year. Under Constitutional Amendment 3, approved by Missouri voters on November 2, 2004, the authority of the Commission to issue State Road bonds is not subject to statutory provisions.

Senate Concurrent Resolution 14, signed by the Governor on June 10, 2019, authorized MoDOT to issue \$301.0 million in bonds to repair or replace 215 bridges. The bonds will be paid back with General Revenue funds appropriated by the legislature over a seven-year period.

As of June 30, 2021, MoDOT executed a loan agreement with the Missouri Transportation Finance Corporation (MTFC) for \$62.5 million with an interest rate of 1.06 percent on the unpaid principal balance. MoDOT will use the loan proceeds to replace the Rocheport Bridge over the Missouri River. No debt obligation was incurred for fiscal year 2021 as no disbursements have been made. The first disbursement of \$24.4 million is scheduled for on or after August 1, 2022. The second disbursement of \$24.8 million is scheduled for on or after August 1, 2023. The final disbursement of \$13.3 million is scheduled for on or after August 1, 2024. Annual payments to the MTFC begin on August 1, 2023 in the amount of \$9.2 million, including interest, and continue through August 1, 2029.

**(A) State Road Bonds****1. Bonded Debt Detail**

|   | <u>2021</u>            | <u>2020</u>            |
|---|------------------------|------------------------|
| Series B 2009 Federal Reimbursement State Road bonds, originally issued for \$404,375,000, to finance federally-eligible projects, including the Safe and Sound bridge program, due in annual installments of \$23,175,000 to \$43,250,000 beginning in 2022 through 2033; interest varying from 4.80 percent to 5.45 percent, exclusive of expected U.S. Treasury subsidy; secured by revenues collected from federal highway reimbursements.  | \$ 404,375,000         | \$ 404,375,000         |
| Series C 2009 State Road bonds, originally issued for \$300,000,000, to finance projects pursuant to Amendment 3 due in annual installments of \$19,070,000 to \$28,015,000 beginning in 2017 through 2029; interest varying from 4.31 percent to 5.63 percent, exclusive of expected U.S. Treasury subsidy; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.  | 198,950,000            | 220,365,000            |
| Series A 2010 Federal Reimbursement State Road bonds, originally issued for \$128,865,000, to finance federally-eligible projects, including the new Mississippi River Bridge in St. Louis and the Safe and Sound bridge program, due in annual installments of \$2,745,000 to \$13,610,000 beginning in 2011 through 2022; interest varying from 1.50 percent to 5.00 percent; secured by revenues collected from federal highway reimbursements.  | 2,745,000              | 16,355,000             |
| Series B 2010 Federal Reimbursement State Road bonds, originally issued for \$56,135,000, to finance federally-eligible projects, including the new Mississippi River Bridge in St. Louis and the Safe and Sound bridge program, due in annual installments of \$11,290,000 to \$15,425,000 beginning in 2022 through 2025; interest varying from 4.72 percent to 5.02 percent, exclusive of expected U.S. Treasury subsidy; secured by revenues collected from federal highway reimbursements. | 56,135,000             | 56,135,000             |
| Series C 2010 Refunding State Road bonds, originally issued for \$130,390,000, to advance refund certain portions of Series A 2001 through 2003 State Road bonds; due in annual installments of \$1,205,000 to \$31,145,000 beginning February 1, 2013 through 2023; interest varying from 3.00 percent to 5.00 percent; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.  | 34,480,000             | 50,500,000             |
| Series A 2014 First Lien Refunding State Road bonds, originally issued for \$589,015,000, to advance refund certain portions of Series A & B 2006 First Lien State Road bonds; due in annual installments of \$18,810,000 to \$104,510,000 beginning May 1, 2017 through 2026; interest varying from 2.00 percent to 5.00 percent; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.  | 457,940,000            | 507,405,000            |
| Series B 2014 Second Lien Refunding State Road bonds, originally issued for \$311,975,000, to advance refund certain portions of Series 2007 Second Lien State Road bonds; due in annual installments of \$3,130,000 to \$68,350,000 beginning May 1, 2018 through 2025; interest varying from 3.00 percent to 5.00 percent; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.  | 66,625,000             | 117,170,000            |
| Series A 2019 Federal Reimbursement Refunding State road bonds, originally issued for \$102,705,000, to current refund certain portions of Series A 2008 and Series A 2009 Federal Reimbursement State Road bonds; due in annual installments of \$10,000,000 to \$30,410,000 beginning May 1, 2020 through 2025; interest of 5.00 percent; secured by revenues collected from federal highway reimbursements.  | 43,105,000             | 73,515,000             |
| Series B 2019 Third Lien State Road bonds, originally issued for \$178,370,000, to finance a portion of the Focus on Bridges Program, due in annual installments of \$19,335,000 to \$37,285,000 beginning November 1, 2020 through 2026; interest rate at 5.00 percent; secured by revenues collected from the State Road Fund and State Road Bond Fund.   | <u>144,360,000</u>     | <u>178,370,000</u>     |
|   | <u>\$1,408,715,000</u> | <u>\$1,624,190,000</u> |



**2. Tax Status of Bonds**

Tax-Exempt issuances: The Series C 2010 Refunding bonds are Senior Bonds and would take priority in payment over other bonds. Refunding Series A 2014 bonds are First Lien bonds. The Refunding Series B 2014 are Second Lien bonds. The Series A 2008, A 2009, A 2010 and A 2019 bonds are liens on federal highway reimbursement revenues. The Series B 2019 bonds are Third Lien Bonds. As tax-exempt issuances, these bonds are subject to federal arbitrage regulations.

Taxable issuances: The Series B 2009 and B 2010 bonds are liens on federal highway reimbursement revenues. The Series C 2009 bonds are Third Lien bonds. These bonds are taxable Build America Bonds as established under the American Recovery and Reinvestment Act of 2009.

**3. Bond Debt Maturity**

Annual debt service requirements to maturity are indicated in the following schedule. The interest payments for the Build America Bonds are shown excluding the expected receipt of interest subsidy payments from the U.S. Treasury.

| <u>Fiscal Year</u> | <u>Principal Due</u>   | <u>Interest Due</u>  | <u>Total Due</u>       |
|--------------------|------------------------|----------------------|------------------------|
| 2022               | \$ 232,500,000         | \$ 59,716,758        | \$ 292,216,758         |
| 2023               | 217,885,000            | 49,613,952           | 267,498,952            |
| 2024               | 193,525,000            | 39,768,041           | 233,293,041            |
| 2025               | 200,785,000            | 31,130,092           | 231,915,092            |
| 2026               | 186,025,000            | 22,139,204           | 208,164,204            |
| 2027-2031          | 292,980,000            | 43,376,047           | 336,356,047            |
| 2032-2033          | <u>85,015,000</u>      | <u>4,678,950</u>     | <u>89,693,950</u>      |
|                    | <u>\$1,408,715,000</u> | <u>\$250,423,044</u> | <u>\$1,659,138,044</u> |

#### 4. Pledged Revenues

Pledged revenues for the year ended June 30, 2021 were as follows:

(Amounts in thousands)

| <u>Bond Lien Type</u>                  | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> | <u>Pledged Revenue Type<sup>4</sup></u>                | <u>Net Pledged Revenue</u> | <u>Term of Commitment</u> |
|--|------------------|-----------------|---------------------------|--|----------------------------|---------------------------|
| Senior Lien <sup>1</sup>               | \$ 16,020        | \$ 2,519        | \$ 18,539                 | Article IV, Section 30(b) of the Missouri Constitution | \$ 697,562                 | 2021 – 2023               |
| Federal Reimbursement <sup>2</sup>     | 44,020           | 21,114          | 65,134                    | Federal Highway Reimbursements                         | 1,150,479                  | 2021 – 2033               |
| First, Second, Third Lien <sup>3</sup> | <u>155,435</u>   | <u>52,334</u>   | <u>207,769</u>            | Article IV, Section 30(b) of the Missouri Constitution | <u>948,681</u>             | 2021 – 2029               |
|  | <u>\$215,475</u> | <u>\$75,967</u> | <u>\$291,442</u>          |  | <u>\$2,796,722</u>         |                           |

<sup>1</sup> Bonds issued 2010 (2010 C)

<sup>2</sup> Bonds issued 2009 (2009 B), 2010 (2010 A, 2010 B), 2019 (2019 A)

<sup>3</sup> Bonds issued 2014 (2014 A, 2014 B), 2009 (2009 C), 2019 (2019 B)

<sup>4</sup> Pledged revenues include collections of motor vehicle sales tax, motor fuel sales tax, licensing fees and permits and appropriations of General Revenue for repayment of bonds.

Pledged revenues for the year ended June 30, 2020 were as follows:

(Amounts in thousands)

| <u>Bond Lien Type</u>                  | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> | <u>Pledged Revenue Type<sup>4</sup></u>                | <u>Net Pledged Revenue</u> | <u>Term of Commitment</u> |
|--|------------------|-----------------|---------------------------|--|----------------------------|---------------------------|
| Senior Lien <sup>1</sup>               | \$ 15,270        | \$ 3,288        | \$ 18,558                 | Article IV, Section 30(b) of the Missouri Constitution | \$ 584,267                 | 2020 – 2023               |
| Federal Reimbursement <sup>2</sup>     | 42,340           | 22,436          | 64,776                    | Federal Highway Reimbursements                         | 862,490                    | 2020 – 2033               |
| First, Second, Third Lien <sup>3</sup> | <u>110,990</u>   | <u>43,995</u>   | <u>154,985</u>            | Article IV, Section 30(b) of the Missouri Constitution | <u>745,554</u>             | 2020 – 2029               |
|  | <u>\$168,600</u> | <u>\$69,719</u> | <u>\$238,319</u>          |  | <u>\$2,192,311</u>         |                           |

<sup>1</sup> Bonds issued 2006 (2006 Ref), 2010 (2010 C)

<sup>2</sup> Bonds issued 2008 (2008 A), 2009 (2009 A, 2009 B), 2010 (2010 A, 2010 B)

<sup>3</sup> Bonds issued 2014 (2014 A, 2014 B), 2009 (2009 C)

<sup>4</sup> Pledged revenues include collections of motor vehicle sales tax, motor fuel sales tax, licensing fees and permits and appropriations of General Revenue for repayment of bonds.

#### (B) Notes Issued

##### 1. Notes Issued Detail

|  | <u>2021</u>      | <u>2020</u><br>(as restated) |
|--|------------------|------------------------------|
| City of Kirkwood; for roadway improvements on Manchester Road from Kirkwood Road to the west city of Kirkwood limits; principal due in state fiscal year 2022 with payment made no earlier than August 1, 2021; no interest will accrue. | \$136,460        | \$---                        |
|  | <u>\$136,460</u> | <u>\$---</u>                 |

**2. Notes Issued Debt Maturity**

Debt service requirements to maturity for all notes issued totaling \$136,460 are due in fiscal year 2022.

**(C) Pollution Remediation Obligations**

MoDOT is involved in remediation activities related to buildings and grounds caused by contamination and a fuel leak. The potential for additional pollution remediation exists; however, any future remediation obligations are not yet estimable.

**Note 10: Tax Revenues**

Tax revenues for the fiscal years 2021 and 2020 were as follows:

|                   | <u>State Highways<br/>and<br/>Transportation<br/>Department<br/>Fund</u> | <u>State Road<br/>Fund</u> | <u>State Road<br/>Bond Fund</u> | <u>Nonmajor<br/>Funds</u> | <u>Total<br/>2021</u> |
|-------------------|--|----------------------------|---------------------------------|---------------------------|-----------------------|
| Fuel taxes        | \$504,025,004  | \$ 113,722                 | \$ ---                          | \$ 232,534                | \$504,371,260         |
| Sales taxes       | <u>1,270,149</u>   | <u>214,066,568</u>         | <u>219,932,522</u>              | <u>8,292,236</u>          | <u>443,561,475</u>    |
| Total tax revenue | <u>\$505,295,153</u>   | <u>\$214,180,290</u>       | <u>\$219,932,522</u>            | <u>\$8,524,770</u>        | <u>\$947,932,735</u>  |

|                   | <u>State Highways<br/>and<br/>Transportation<br/>Department<br/>Fund</u> | <u>State Road<br/>Fund</u> | <u>State Road<br/>Bond Fund</u> | <u>Nonmajor<br/>Funds</u> | <u>Total<br/>2020</u> |
|-------------------|--|----------------------------|---------------------------------|---------------------------|-----------------------|
| Fuel taxes        | \$497,329,306  | \$ 97,140                  | \$ ---                          | \$ 234,903                | \$497,661,349         |
| Sales taxes       | <u>1,958,285</u>   | <u>180,245,383</u>         | <u>185,191,760</u>              | <u>9,422,781</u>          | <u>376,818,209</u>    |
| Total tax revenue | <u>\$499,287,591</u>   | <u>\$180,342,523</u>       | <u>\$185,191,760</u>            | <u>\$ 9,657,684</u>       | <u>\$874,479,558</u>  |

Taxes are remitted by the Missouri Department of Revenue to the Department subsequent to collection. The Department receives the following taxes:

- **Fuel taxes** are paid on the sale of gasoline, aviation fuel used in propelling aircraft with reciprocating engines and diesel fuel. The taxes are authorized by Sections 142.010 – 142.350, 155.080 and 155.090, and 142.362 – 142.621, RSMo. The tax rate on gasoline and diesel fuels is \$0.17 per gallon. The State receives 75.0 percent of the first \$0.11 and 70.0 percent of the next \$0.06. The remaining tax is distributed to cities and counties. In addition, the Department receives the entire tax on aviation fuel of \$0.09 per gallon.
- **Sales taxes** are paid on the purchase of any new or used motor vehicle or trailer, on vehicles purchased out of state and titled in Missouri and on the sale of a vehicle between individuals within Missouri. The taxes are authorized by Sections 144.070 and 144.440, RSMo. The general sales tax rate is 3.0 percent and Proposition C tax (Section 144.701, RSMo.) is 1.0 percent, for a total of 4.0 percent. The Department receives 75.0 percent of the motor vehicle sales tax. The remainder is distributed to cities, counties and school districts. In addition, the Department receives sales tax on jet fuel, limited to a maximum of \$10.0 million annually.

**Note 11: Interfund Transactions**

State statute (226.200, RSMo.) requires the transfer of unspent monies in the Highway Fund to the State Road Fund on a monthly basis. Transfers for the years ended June 30, 2021 and 2020, including were as follows:

|  | 2021                 |                      | 2020                                 |                                       |
|--|----------------------|----------------------|--------------------------------------|---------------------------------------|
|  | <u>Transfers In</u>  | <u>Transfers Out</u> | <u>Transfers In</u><br>(as restated) | <u>Transfers Out</u><br>(as restated) |
| State Highways and<br>Transportation Department Fund | \$ ---               | \$479,801,045        | \$ ---                               | \$482,015,055                         |
| State Road Fund                                      | 525,673,876          | ---                  | 532,561,709                          | ---                                   |
| Nonmajor Funds                                       | ---                  | 45,872,831           | ---                                  | 50,546,654                            |
| Total transfers                                      | <u>\$525,673,876</u> | <u>\$525,673,876</u> | <u>\$532,561,709</u>                 | <u>\$532,561,709</u>                  |

The due to/from amounts in the Road Fund and non-major funds represent interfund services provided and used. Amounts receivable/payable as of June 30, 2021 and 2020 were as follows:

|  | 2021              |                 | 2020                               |                                 |
|--|-------------------|-----------------|------------------------------------|---------------------------------|
|  | <u>Receivable</u> | <u>Payable</u>  | <u>Receivable</u><br>(as restated) | <u>Payable</u><br>(as restated) |
| State Highways and<br>Transportation Department Fund | \$ ---            | \$ ---          | \$ ---                             | \$26,825,913                    |
| State Road Fund                                      | 66,380            | ---             | 26,924,667                         | ---                             |
| Nonmajor Funds                                       | ---               | 66,380          | ---                                | 98,754                          |
| Total due to/from                                    | <u>\$66,380</u>   | <u>\$66,380</u> | <u>\$26,924,667</u>                | <u>\$26,924,667</u>             |

**Note 12: Commitments and Contingencies****(A) Unemployment Benefits**

The Department is subject to the Missouri Employment Security Law. Department employees who qualify are entitled to benefit payments during periods of unemployment. The Department is required to reimburse the Division of Employment Security for benefit payments made to its former employees. The Department has identified no practical method of estimating the amount of future benefit payments that may be made to former employees for wage credits earned prior to June 30, 2021 and 2020. Consequently, this potential obligation is not included in the accompanying basic financial statements. Total reimbursements made by the Department were \$192,917 and \$118,550 for fiscal years 2021 and 2020, respectively.

**(B) Construction Commitments**

The State Road Fund had construction awards outstanding for both state and federal participating projects at June 30, 2021 and 2020 amounting to approximately \$999,699,288 and \$996,525,240, respectively. The federal portion of this total was \$725,352,595 and \$775,772,071, or approximately 72.56 percent and 77.85 percent, for 2021 and 2020, respectively.

**(C) Operating Leases**

The Department is committed under operating leases for buildings, as well as various office and maintenance equipment. Lease expenditures for the years ended June 30, 2021 and 2020 amounted \$3,169,374 and \$3,110,516, respectively. Future minimum lease payments for these leases are as follows:

| Year ending: | <u>2021</u>      | <u>2020</u>      |
|--------------|------------------|------------------|
| 2021         | \$ ---           | \$465,541        |
| 2022         | 346,925          | 6,846            |
| 2023         | 73,664           | 6,846            |
| 2024         | 43,882           | 5,544            |
| 2025         | 5,544            | 5,544            |
| 2026         | 5,544            | ---              |
|              | <u>\$475,559</u> | <u>\$490,321</u> |

## **(D) Federal Funding**

The Department receives federal grants that are subject to review and audit by federal grantor agencies. This could result in requests for reimbursement by the grantor agency for any expenditures disallowed under grant terms. The Department believes such disallowances, if any, would be immaterial.

## **Note 13: Accounting Pronouncements**

MoDOT implemented GASB Statement No. 84, *Fiduciary Activities* in fiscal year 2020. Under the new requirements, an activity meeting the criteria of a fiduciary activity should be reported as a fiduciary fund in the basic financial statements. Fiduciary funds should be presented with a statement of fiduciary net position and a statement of changes in fiduciary net position. The implementation of this statement has resulted in changing the presentation of the financial statements for the Motor Carrier Services (MCS) fund and the Local fund, which were previously reported as agency funds. The MCS fund holds monies collected by MoDOT from motor carriers for oversize/overweight permits, hazardous waste/waste tire licenses, interstate operating authority, the International Registration Plan (IRP), International Fuel Tax Agreement (IFTA) and the Unified Carrier Registration (UCR) program. The funds are then transferred from the MCS fund to the appropriate state fund, or the money is retained in the MCS fund to ultimately transmit to the other jurisdictions for the International Registration Plan (IRP) or International Fuel Tax Agreement (IFTA). The portion of the funds held on behalf of the motor carrier that are due to other governments and jurisdictions are now presented as a custodial fund in the fiduciary fund statements. The Local fund holds deposits made by cities and counties for work they would like to do in conjunction with work MoDOT is doing or for the local entities' portion of the costs of the project being completed. As expenditures are made for the projects out of the State Road Fund, the money is transferred out of the Local fund to reimburse the State Road Fund. Because this activity does not meet the criteria of a fiduciary fund under the new guidance, it is now reported in the State Road Fund.

MoDOT implemented the following GASB Statement in fiscal year 2021 with no impact to the financial statements:

- GASB Statement No. 90, *Majority Equity Interest*

## **Note 14: Restatement**

The following prior period adjustments have resulted in the restatement of the June 30, 2020 financial statements:

- After the publication of the fiscal year 2020 financial statements, an extraordinary adjustment of \$26.8 million occurred that changed the funding source of certain highway patrol salaries in the State Highways and Transportation Department Fund. The adjustment caused the net position to be understated, since the new funding source was not under the control of the department. Transfers from the State Highways and Transportation Department Fund to the State Road Fund would be higher, resulting in the fund balance in the State Road Fund being understated.
- A receivable for the June 2020 International Registration Plan (IRP) revenues was inadvertently omitted. This omission caused the net position and the related assets to be understated by \$4.8 million. Revenue and fund balances in the State Highways and Transportation Department Fund and the State Road Fund were understated by \$3.3 million and \$1.5 million, respectively.
- Accounts payable and multimodal operations expenditures for fiscal year 2020 Amtrak services from the State General Revenue Fund totaling \$3.6 million were not recorded in the fiscal year 2020 financial statements. Because these services are paid by General Revenue state appropriations, the related receivable and revenues were understated. The errors have been corrected by restating each of the affected financial statement line items, but this correction had no impact to the net position or fund balance.
- Employer contributions for pension was understated by \$1.0 million, causing the net position to be understated. This understatement had no effect on fund balances.
- A notes payable obligation to St. Charles County was paid in March 2020, but not recorded as a reduction to the related liability. This unrecorded reduction caused the net position to be understated by \$644,000. A correction was made to reclassify the expenditure from a construction expense to a debt service expense. The net effect of the reclassification had no impact to the fund balance in the State Road Fund.

The following tables present a summary of the restatement of the June 30, 2020 financial statements:

**Government-wide financial statements**

|   | <u>As Originally Stated</u> | <u>Restatement</u> | <u>As Restated</u> |
|---|-----------------------------|--------------------|--------------------|
| <b>Statement of Net Position</b>          |                             |                    |                    |
| Cash and cash equivalents                 | \$ 999,926,858              | \$26,825,913       | \$ 1,026,752,771   |
| State taxes and fees receivable           | 156,895,923                 | 4,821,158          | 161,717,081        |
| Miscellaneous receivables, net            | 16,764,298                  | 3,638,261          | 20,402,559         |
| Total current assets                      | 1,343,995,110               | 35,285,332         | 1,379,280,442      |
| Total assets                              | 32,602,084,280              | 35,285,332         | 32,637,369,612     |
| Pension contributions                     | 182,100,338                 | 1,045,016          | 183,145,354        |
| Total deferred outflows                   | 218,298,586                 | 1,045,016          | 219,343,602        |
| Accounts Payable                          | 140,487,523                 | 3,638,261          | 144,125,784        |
| Financing and other obligations           | 239,112,720                 | (644,499)          | 238,468,221        |
| Total current liabilities                 | 512,290,597                 | 2,993,762          | 515,284,359        |
| Total liabilities                         | 3,789,109,482               | 2,993,762          | 3,792,103,244      |
| Net investment in capital assets          | 29,428,984,774              | 644,499            | 29,429,629,273     |
| Unrestricted                              | (573,128,527)               | 32,692,087         | (540,436,440)      |
| Total net position                        | \$28,856,156,247            | \$33,336,586       | \$28,889,492,833   |
| <b>Statement of Activities</b>            |                             |                    |                    |
| Administration                            | \$ 11,317,765               | \$ (76,380)        | \$ 11,241,385      |
| Fleet, facilities and information systems | 31,080,003                  | (44,537)           | 31,035,466         |
| Safety and operations                     | 360,737,145                 | (631,344)          | 360,105,801        |
| Program delivery                          | 185,287,426                 | (929,516)          | 184,357,910        |
| Multimodal operations                     | 82,201,714                  | 3,630,523          | 85,832,237         |
| Other state agencies                      | 239,306,447                 | (26,825,913)       | 212,480,534        |
| Total program expenses                    | 1,825,905,798               | (24,877,167)       | 1,801,028,631      |
| Licenses, fees and permits                | 317,564,600                 | 4,821,158          | 322,385,758        |
| Total program revenues                    | 1,524,835,603               | 4,821,158          | 1,529,656,761      |
| State appropriations                      | 63,477,556                  | 3,638,261          | 67,115,817         |
| Total general revenues                    | 965,016,513                 | 3,638,261          | 968,654,774        |
| Net Position, end of year                 | \$28,856,156,247            | \$33,336,586       | \$28,889,492,833   |

**Fund financial statements**

|   | <u>As Originally Stated</u> | <u>Restatement</u> | <u>As Restated</u> |
|---|-----------------------------|--------------------|--------------------|
| <b>State Highways and Transportation</b>  |                             |                    |                    |
| <b>Department Fund</b>  |                             |                    |                    |
| <b>Balance Sheet</b>  |                             |                    |                    |
| Cash and cash equivalents   | \$ 3,697,928                | \$26,825,913       | \$ 30,523,841      |
| State taxes and fees receivable   | 102,419,706                 | 3,302,893          | 105,722,599        |
| Total assets  | 107,377,959                 | 30,128,806         | 137,506,765        |
| Due to other funds  | ---                         | 26,825,913         | 26,825,913         |
| Total liabilities   | 13,572,591                  | 26,825,913         | 40,398,504         |
| Fund balance - Restricted   | 92,535,767                  | 3,302,893          | 95,838,660         |
| Total fund balance  | 92,535,767                  | 3,302,893          | 95,838,660         |
| Total liabilities, deferred inflows of resources and fund balances                    | \$107,377,959               | \$30,128,806       | \$137,506,765      |
| <b>Statement of Revenues, Expenditures and Changes in and Changes in Fund Balance</b> |                             |                    |                    |
| Licenses, fees and permits  | \$207,004,132               | \$ 3,302,893       | \$ 210,307,025     |
| Total revenues  | 708,456,950                 | 3,302,893          | 711,759,842        |
| Other State Agencies  | 270,466,500                 | (26,825,913)       | 243,640,587        |
| Total expenditures  | 270,466,500                 | (26,825,913)       | 243,640,587        |

Missouri Department of Transportation Annual Comprehensive Financial Report

|                                |               |              |               |
|--------------------------------|---------------|--------------|---------------|
| Transfers out                  | (455,189,142) | (26,825,913) | (482,015,055) |
| Total other fin sources (uses) | (455,189,142) | (26,825,913) | (482,015,055) |
| Net Changes in Fund Balance    | (17,198,692)  | 3,302,893    | (13,895,800)  |
| Fund Balance, end of year      | \$ 92,535,767 | \$ 3,302,893 | \$ 95,838,660 |

|   | <u>As Originally Stated</u> | <u>Restatement</u> | <u>As Restated</u> |
|---|-----------------------------|--------------------|--------------------|
| <b>State Road Fund</b>  |                             |                    |                    |
| <b>Balance Sheet</b>  |                             |                    |                    |
| State taxes and fees receivable                                       | \$ 31,093,164               | \$ 1,518,265       | \$ 32,611,429      |
| Due from other funds  | 98,754                      | 26,825,913         | 26,924,667         |
| Total assets  | 1,101,616,293               | 28,344,178         | 1,129,960,471      |
| Fund balance - Restricted   | 885,642,769                 | 28,344,178         | 913,986,947        |
| Total fund balance  | 921,814,251                 | 28,344,178         | 950,158,429        |
| Total liabilities, deferred inflows of<br>resources and fund balances | \$1,101,616,293             | \$28,344,178       | \$1,129,960,471    |

|   |                |              |                |
|---|----------------|--------------|----------------|
| <b>Statement of Revenues, Expenditures and Changes in<br/>and Changes in Fund Balance</b> |                |              |                |
| Licenses, fees and permits  | \$ 107,885,485 | \$ 1,518,265 | \$ 109,403,750 |
| Total revenues  | 1,370,477,682  | 1,518,265    | 1,371,995,947  |
| Construction  | 241,051,409    | (644,499)    | 240,406,910    |
| Debt service  | 50,837,945     | 644,499      | 51,482,444     |
| Transfers In  | 505,735,796    | 26,825,913   | 532,561,709    |
| Total other fin sources (uses)  | 725,952,909    | 26,825,913   | 752,778,822    |
| Net Changes in Fund Balance   | 241,764,815    | 28,344,178   | 270,108,993    |
| Fund Balance, end of year   | \$ 921,814,251 | \$28,344,178 | \$ 950,158,429 |

|   | <u>As Originally Stated</u> | <u>Restatement</u> | <u>As Restated</u> |
|---|-----------------------------|--------------------|--------------------|
| <b>State General Revenue Fund</b>                                     |                             |                    |                    |
| <b>Balance Sheet</b>  |                             |                    |                    |
| Miscellaneous receivables, net  | \$ 243,044                  | \$3,638,261        | \$ 3,881,305       |
| Total assets  | 243,044                     | 3,638,261          | 3,881,305          |
| Accounts Payable  | 243,044                     | 3,638,261          | 3,881,305          |
| Total liabilities   | 243,044                     | 3,638,261          | 3,881,305          |
| Total liabilities, deferred inflows of<br>resources and fund balances | \$ 243,044                  | \$3,638,261        | \$ 3,881,305       |

|   |               |             |               |
|---|---------------|-------------|---------------|
| <b>Statement of Revenues, Expenditures and Changes in<br/>and Changes in Fund Balance</b> |               |             |               |
| State government  | \$ 63,477,556 | \$3,638,261 | \$ 67,115,817 |
| Total revenues  | 63,477,556    | 3,638,261   | 67,115,817    |
| Multimodal operations   | 13,477,556    | 3,638,261   | 17,115,817    |
| Total expenditures  | 13,477,556    | 3,638,261   | 17,115,817    |

### **Note 15: CARES Act Funding**

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Department. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time. In 2021, the Department received federal stimulus funding provided from the Coronavirus Aid, Relief and Emergency Security (CARES) Act for emergency relief for rural transit providers and for airports. Revenue and expenditures related to this funding is included in the nonmajor - Multimodal Federal Fund. Additionally, the Department received federal revenue from the Highway Infrastructure Programs - Coronavirus Response and Relief Supplemental Appropriations Act (HIP-CRRSAA) passed by Congress in December 2020 for roads and bridges. Revenue and expenditures related to this funding is included in the State Road Fund. The Department has also included federal funding provided from the CARES Act for a state fund that is administered by the Office of Administration (OA). This funding is to reimburse the Department for equipment and supplies related to the pandemic. Any revenue and expenditures related to this source of funding is in the State Road Fund. For fiscal years 2020 and 2021, adjustments were made to change the funding source of certain highway patrol salaries in the State Highways and Transportation Department (Highway) Fund to OA's CARES Act fund. This reduced other state agencies expenditures in the Highway Fund by \$26.8 million in fiscal year 2020 and \$44.3 million in fiscal year 2021.





This page intentionally left blank

# Required Supplementary Information

---

**Required Supplementary Information**  
**Budgetary Comparison Schedules – State Highways**  
**and Transportation Department Fund**  
**Year Ended June 30, 2021**  
**With Summarized Financial Information for 2020**

|  | <b>Budgeted Amounts</b> |                        | <b>Actual</b>        | <b>Variances Between<br/>Final Budget and Actual</b> |                     |
|--|-------------------------|------------------------|----------------------|--|---------------------|
|  | <b>Original</b>         | <b>Final</b>           |                      | <b>2021</b>  | <b>2020</b>         |
| <b>Budgetary fund balance,<br/>beginning of year</b>   | \$ 3,758,123            | \$ 3,758,123           | \$ 3,758,123         | \$ ---   | \$ ---              |
| Resources (inflows)                                    |                         |                        |                      |  |                     |
| Fuel taxes   | 481,591,000             | 481,591,000            | 492,058,918          | 10,467,918   | (1,743,783)         |
| License, fees and permits                              | 215,768,000             | 215,768,000            | 230,735,113          | 14,967,113   | (6,552,866)         |
| Vehicle sales taxes                                    | 2,028,000               | 2,028,000              | 1,254,201            | (773,799)  | 359,703             |
| Interest   | 425,000                 | 425,000                | 423,136              | (1,864)  | 550,415             |
| Intergovernmental/cost<br>reimbursements/miscellaneous | <u>2,323,000</u>        | <u>2,323,000</u>       | <u>2,049,008</u>     | <u>(273,992)</u>                                     | <u>(1,814,048)</u>  |
| <b>Amount available for<br/>appropriation</b>          | <u>705,893,123</u>      | <u>705,893,123</u>     | <u>730,278,499</u>   | <u>24,385,376</u>                                    | <u>(9,200,579)</u>  |
| Charges to appropriations (outflows)                   |                         |                        |                      |  |                     |
| Appropriations spent by other<br>state agencies        | <u>288,616,000</u>      | <u>288,616,000</u>     | <u>222,213,276</u>   | <u>66,402,724</u>                                    | <u>49,815,505</u>   |
| <b>Total charges to appropriations</b>                 | <u>288,616,000</u>      | <u>288,616,000</u>     | <u>222,213,276</u>   | <u>66,402,724</u>                                    | <u>49,815,505</u>   |
| Transfers to State Road Fund                           | <u>(510,000,000)</u>    | <u>(510,000,000)</u>   | <u>(506,626,958)</u> | <u>3,373,042</u>                                     | <u>54,810,858</u>   |
| <b>Budgetary fund balance,<br/>end of year</b>         | <u>\$ (92,722,877)</u>  | <u>\$ (92,722,877)</u> | <u>\$ 1,438,265</u>  | <u>\$94,161,142</u>                                  | <u>\$95,425,784</u> |

**Required Supplementary Information**  
**Budgetary Comparison Schedules – State Road Fund**  
 Year Ended June 30, 2021  
 With Summarized Financial Information for 2020

|  | Budgeted Amounts      |                       | Actual                 | Variances Between<br>Final Budget and Actual |                      |
|--|-----------------------|-----------------------|------------------------|--|----------------------|
|  | Original              | Final                 |                        | 2021   | 2020                 |
| <b>Budgetary fund balance,<br/>beginning of year</b>   | \$ 890,185,671        | \$ 890,185,671        | \$ 890,185,671         | \$ ---                                       | \$ ---               |
| Resources (inflows)                                    |                       |                       |                        |  |                      |
| Fuel taxes   | 97,000                | 97,000                | 113,723                | 16,723                                       | (28,860)             |
| License, fees and permits                              | 87,195,000            | 87,195,000            | 117,809,685            | 30,614,685                                   | 13,651,686           |
| Vehicle sales taxes                                    | 176,805,000           | 176,805,000           | 218,129,849            | 41,324,849                                   | (6,221,657)          |
| Interest   | 5,087,000             | 5,087,000             | 6,571,431              | 1,484,431                                    | 5,044,720            |
| Intergovernmental/cost<br>reimbursements/miscellaneous | 196,113,000           | 196,113,000           | 66,512,160             | (129,600,840)                                | 50,965,799           |
| Bond proceeds  | ---                   | ---                   | ---                    | ---  | ---                  |
| Federal government                                     | <u>1,102,624,000</u>  | <u>1,102,624,000</u>  | <u>1,262,756,904</u>   | <u>160,132,904</u>                           | <u>(22,292,926)</u>  |
| <b>Amount available for<br/>    appropriation</b>      | <u>2,458,106,671</u>  | <u>2,458,106,671</u>  | <u>2,562,079,423</u>   | <u>103,972,752</u>                           | <u>41,118,762</u>    |
| Charges to appropriations (outflows)                   |                       |                       |                        |  |                      |
| Administration   |                       |                       |                        |  |                      |
| Personal service                                       | 19,459,017            | 19,459,017            | 16,871,747             | 2,587,270                                    | 1,259,558            |
| Expense and equipment                                  | 15,417,562            | 15,417,562            | 1,801,225              | 13,616,337                                   | 3,908,783            |
| Safety and Operations                                  |                       |                       |                        |  |                      |
| Personal service                                       | 152,195,476           | 152,195,476           | 135,502,752            | 16,692,724                                   | 6,533,993            |
| Expense and equipment                                  | 236,662,665           | 231,492,665           | 193,941,375            | 37,551,290                                   | 20,296,723           |
| Program Delivery                                       |                       |                       |                        |  |                      |
| Personal service                                       | 69,796,236            | 69,796,236            | 57,894,255             | 11,901,981                                   | 3,240,212            |
| Expense and equipment                                  | 27,909,485            | 27,900,947            | 17,701,899             | 10,199,048                                   | 4,105,334            |
| Program  | <u>1,765,951,981</u>  | <u>1,865,951,981</u>  | <u>1,217,980,371</u>   | <u>647,971,610</u>                           | <u>268,572,934</u>   |
| Fleet, facilities and<br>information systems           |                       |                       |                        |  |                      |
| Personal service                                       | 12,213,242            | 12,213,242            | 9,258,485              | 2,954,757                                    | 825,216              |
| Expense and equipment                                  | 79,870,000            | 79,870,000            | 61,429,094             | 18,440,906                                   | 10,051,404           |
| Multimodal operations                                  |                       |                       |                        |  |                      |
| Personal service                                       | 497,093               | 497,093               | 434,081                | 63,012                                       | (19,735)             |
| Expense and equipment                                  | 39,852                | 39,852                | 11,442                 | 28,410                                       | (72,518)             |
| Program  | 176,000               | 176,000               | 176,000                | ---  | ---                  |
| Fringe benefits  |                       |                       |                        |  |                      |
| Retirement and long-term disability                    | 147,726,922           | 147,726,922           | 123,563,285            | 24,163,637                                   | 10,667,703           |
| Medical, life insurance and EAP                        | 53,093,635            | 53,093,635            | 45,818,003             | 7,275,632                                    | (874,061)            |
| Retiree medical insurance                              | 18,629,968            | 18,629,968            | 17,660,603             | 969,365                                      | 783,299              |
| Workers' compensation                                  | 7,964,796             | 7,964,796             | 7,484,625              | 480,171                                      | ---                  |
| Other fringe benefits                                  | <u>21,827,924</u>     | <u>21,827,924</u>     | <u>16,648,510</u>      | <u>5,179,414</u>                             | <u>2,000,929</u>     |
| <b>Total charges to<br/>    appropriations</b>         | <u>2,629,431,854</u>  | <u>2,724,253,316</u>  | <u>1,924,177,752</u>   | <u>800,075,564</u>                           | <u>331,279,774</u>   |
| Transfers from Highway Fund                            | 510,000,000           | 510,000,000           | 506,626,958            | (3,373,042)                                  | (54,810,858)         |
| Transfer from State Treasury Fund                      | 45,550,001            | 45,550,001            | 45,546,556             | (3,445)                                      | ---                  |
| Transfers from Multimodal Funds <sup>1</sup>           | <u>1,078,134</u>      | <u>1,078,134</u>      | <u>326,276</u>         | <u>(751,858)</u>                             | <u>546,654</u>       |
| Total Transfers  | <u>556,628,135</u>    | <u>556,628,135</u>    | <u>552,499,790</u>     | <u>(4,128,345)</u>                           | <u>(54,264,204)</u>  |
| <b>Budgetary fund balance, end of year</b>             | <u>\$ 385,302,952</u> | <u>\$ 290,481,490</u> | <u>\$1,190,401,461</u> | <u>\$ 899,919,971</u>                        | <u>\$318,134,332</u> |

<sup>1</sup> The transfers from Multimodal Funds reimburses the State Road Fund for the use of MoDOT employees and equipment funded by the State Road Fund in providing support to the Multimodal Division as it carries out its transportation responsibilities in the areas of aviation, railroads, transit, freight and waterways. Transfers are accounting entries only and will allow the Multimodal Division to reimburse the State Road Fund from other non-highway funds without double counting expenditures.

## Required Supplementary Information

### Budget Basis to GAAP Reconciliations and Disclosure

#### Years Ended June 30, 2021 and 2020

The following are reconciliations of the differences between the State's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis for 2021:

|                                     | <b>State Highways<br/>and<br/>Transportation<br/>Department Fund</b> | <b>State Road Fund</b> |
|-------------------------------------|--|------------------------|
| Fund balance, budgetary basis       | \$ 1,438,265   | \$1,190,401,461        |
| Receivables                         | 114,478,688  | 119,698,651            |
| Due from other funds                | ---  | 66,380                 |
| Inventories                         | ---  | 41,854,776             |
| Payables                            | (10,450,293)   | (109,945,743)          |
| Deposits                            | ---  | (1,285,526)            |
| Unearned revenue                    | ---  | (118,637,747)          |
| Unavailable revenues                | (72,816)   | (4,459,966)            |
| Cash adjustments – Local Fund       | ---  | 111,516,253            |
| Cash adjustments – prior period     | 26,822,665   | ---                    |
| Change in fair value of investments | <u>(109,637)</u>   | <u>(2,905,891)</u>     |
| Fund balance, GAAP basis            | <u>\$ 132,106,872</u>  | <u>\$1,226,302,648</u> |

The following are reconciliations of the differences between the State's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis for 2020:

|                                     | <b>State Highways<br/>and<br/>Transportation<br/>Department Fund</b> | <b>State Road Fund</b> |
|-------------------------------------|--|------------------------|
| Fund balance, budgetary basis       | \$ 3,758,123   | \$ 890,185,671         |
| Receivables                         | 106,982,924  | 139,231,572            |
| Due from other funds                | ---  | 26,924,667             |
| Inventories                         | ---  | 36,171,482             |
| Payables                            | (13,644,664)   | (139,797,984)          |
| Deposits                            | ---  | (1,713,575)            |
| Unearned revenue                    | ---  | (28,144,762)           |
| Unavailable revenues                | (1,269,601)  | (10,145,721)           |
| Cash adjustments – Local Fund       | ---  | 34,731,159             |
| Change in fair value of investments | <u>11,878</u>  | <u>2,715,920</u>       |
| Fund balance, GAAP basis            | <u>\$ 95,838,660</u>   | <u>\$ 950,158,429</u>  |

### **Budgetary Principles and Presentation**

The budgetary comparison schedules are presented on the State's budgetary basis of accounting. Under this basis, revenues are recognized when cash is received. Expenditures are recognized for cash disbursements made during the fiscal year and for cash adjustments made in the lapse period, as defined by the Office of Administration.

All governmental funds reported by MoDOT have legally adopted annual budgets. The legal authority for approval of the Department's budget and amendments for the State Highways and Transportation Department Fund rests with the State Legislature. The Commission approves the State Road Fund budget and amendments. The fund level is the legal level of control for the State Road Fund. However, at any time, the Commission may approve the Department to spend more or less than the State Legislature or the fund level of the State Road Fund, which will drive the Department's budget to be higher or lower than the other legal limits.

The Department develops its budget through processes involving the districts and the central office divisions. Upon Commission approval, the legislative budget request is sent to the Office of Administration by October 1 and is forwarded to the Governor's Office. The Governor develops a recommendation regarding the budget and forwards both the budget request and the recommendation to the Legislature. The Legislature generally acts on budget matters between January and May. The Governor

has veto authority and generally acts on those matters in June. Upon Commission approval in June, the Department then internally distributes available funds based on input and feedback from the districts and central office divisions. Historically, this subset of the legislative budget was what was presented in the budgetary comparison schedules. At the start of fiscal year 2021, the Commission began approving the budget at the legislative level. The budgeted amounts presented in the budgetary comparison schedules will reflect this change. Fiscal year 2020 budgetary comparison schedules have not been restated.

## Required Supplementary Information

### Schedule of Proportionate Share of Net Pension Liability (NPL)\*

| <u>Actuarial Valuation Date</u> | <u>MoDOT's Proportion of NPL</u> | <u>MoDOT's Share of NPL</u> | <u>MoDOT's Covered Payroll</u> | <u>MoDOT's NPL as a Percentage of Covered Payroll</u> | <u>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</u> |
|---------------------------------|----------------------------------|-----------------------------|--------------------------------|---|---|
| 6/30/2020                       | 62.59%                           | \$1,083,118,704             | \$227,815,246                  | 475.44%   | 57.71%  |
| 6/30/2019                       | 62.35                            | 1,006,396,262               | 226,173,147                    | 444.97  | 60.02   |
| 6/30/2018                       | 62.39                            | 1,040,233,956               | 219,256,041                    | 474.44  | 58.13   |
| 6/30/2017                       | 62.01                            | 1,012,417,855               | 219,668,222                    | 460.88  | 57.06   |
| 6/30/2016                       | 62.03                            | 1,097,719,514               | 212,224,044                    | 517.25  | 52.96   |
| 6/30/2015                       | 62.23                            | 1,061,941,581               | 212,044,879                    | 500.81  | 54.08   |

\*This schedule will ultimately present ten years of data when available.

## Required Supplementary Information

### Schedule of Pension Contributions

| <u>Fiscal Year</u> | <u>Actuarially Determined Contributions</u> | <u>Actual Contributions</u> | <u>Contribution Deficiency (Excess)</u> | <u>Covered Payroll</u> | <u>Contributions as of Percentage of Covered Payroll</u> |
|--------------------|---|-----------------------------|---|------------------------|--|
| 2021               | \$127,707,962                               | \$127,707,962               | \$ ---                                  | \$226,493,178          | 58.00%   |
| 2020               | 131,366,043                                 | 131,366,043                 | ---                                     | 224,691,424            | 58.00  |
| 2019 <sup>1</sup>  | 130,420,220                                 | 130,420,220                 | ---                                     | 224,862,449            | 58.00  |
| 2018               | 127,168,503                                 | 127,168,503                 | ---                                     | 219,256,041            | 58.00  |
| 2017               | 127,407,569                                 | 127,407,569                 | ---                                     | 219,668,223            | 58.00  |
| 2016               | 123,196,057                                 | 123,196,057                 | ---                                     | 212,224,044            | 58.05  |
| 2015               | 124,597,572                                 | 124,597,572                 | ---                                     | 212,044,881            | 58.76  |
| 2014 <sup>2</sup>  | 116,000,251                                 | 116,000,251                 | ---                                     | 213,845,536            | 54.24  |
| 2013 <sup>3</sup>  | 107,190,383                                 | 107,190,383                 | ---                                     | 210,507,429            | 50.92  |
| 2012 <sup>4</sup>  | 102,014,954                                 | 102,014,954                 | ---                                     | 224,455,344            | 45.45  |

<sup>1</sup> For the plan year ended June 30, 2018, there were no changes to the plan's benefit terms. Assumed rates of withdrawal, disability, retirement and wage increases due to merit and longevity were adjusted to more closely track experience. Mortality tables were updated to use the RP-2014 Healthy Annuitant, Employee and Disabled Retiree Annuitant tables projected to 2022 using scale MP-2017. Economic assumptions lowered to 7.00% investment return, 3.00% wage inflation and 2.25% price inflation. Other miscellaneous changes were made for potential survivor benefits, sick leave, etc.

<sup>2</sup> For the plan year ended June 30, 2013, there were no changes to the plan's benefit terms. The assumptions and methods used were those adopted by the Board from the July 1, 2007 through June 30, 2012 Experience Study. The changes resulted in an increase in computed the computed contribution rate of 4.60% for Non-Uniform and 6.02% for Uniform employees.

<sup>3</sup> For the plan year ended June 30, 2012, the Governmental Accounting Standards Board issued Statements No. 67 and 68. To minimize the difference between what is used for funding and what is used for reporting, the Board adopted the traditional entry age normal cost method for future valuations beginning with the June 30, 2014 valuation. The effect of these changes decreased the Non-Uniform contribution rate by 0.04% and increased the Uniform contribution rate by 3.33%. The amortization of the unfunded actuarial accrued liability was revised pursuant to the Department's estimates of future payroll.

<sup>4</sup> For the plan year ended June 30, 2012, there were no changes in the assumptions and methods for the June 30, 2011 valuation, other than the method change to reflect the near term downsizing of MoDOT in the financing of the unfunded actuarial accrued liability.

## Required Supplementary Information

### Schedule of Proportionate Share of Total OPEB Liability Last 10 Fiscal Years\* (Dollar amounts in thousands)

| <u>Fiscal Year</u> | <u>Department's Proportion of Total OPEB Liability</u> | <u>Department's Proportionate Share of the Total OPEB Liability</u> | <u>Department's Covered Employee Payroll</u> | <u>Department's Proportionate Share of The Total OPEB Liability as a Percentage of its Covered Employee Payroll</u> | <u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u> |
|--------------------|--|---|--|---|--|
| 2021               | 100.0%   | \$935,765   | \$234,924                                    | 398%  | n/a  |
| 2020               | 100.0  | 738,785   | 232,227                                      | 318   | n/a  |
| 2019               | 100.0  | 772,732   | 226,598                                      | 341   | n/a  |
| 2018               | 100.0  | 776,187   | 226,826                                      | 342   | n/a  |
| 2017               | 100.0  | 845,952   | 220,401                                      | 383   | n/a  |

\*The amounts presented for each fiscal year were determined as of the measurement date. This schedule will ultimately present ten years of data when available.

The Insurance Plan is an internal service fund of the Department and is funded on a pay-as-you-go basis. The Plan is not a trust and does not have a fiduciary net position.

## Required Supplementary Information

### Schedule of Proportionate Share of Total OPEB Contributions Last 10 Fiscal Years\* (Dollar amounts in thousands)

| <u>Fiscal Year</u> | <u>Required Contributions</u> | <u>Actual Contributions</u> | <u>Contribution Deficiency/Excess</u> | <u>Department's Covered Employee Payroll</u> | <u>Contributions as a Percentage of Covered Employee Payroll</u> |
|--------------------|-------------------------------|-----------------------------|---------------------------------------|--|--|
| 2021               | \$---                         | \$17,661                    | \$---                                 | \$234,924                                    | 7.5%   |
| 2020               | ---                           | 17,558                      | ---                                   | 232,227                                      | 7.6  |
| 2019               | ---                           | 17,623                      | ---                                   | 226,598                                      | 7.8  |
| 2018               | ---                           | 17,146                      | ---                                   | 226,826                                      | 8.0  |
| 2017               | ---                           | 15,985                      | ---                                   | 220,401                                      | 7.0  |

\*The amounts presented for each year were determined as of the fiscal year end. This schedule will ultimately present ten years of data when available.

The Insurance Plan is an internal service fund of the Department and is financed on a pay-as-you go basis. The Plan's funding is not based on covered payroll; the required information is displayed for information purposes. Refer to the Medical and Life Insurance Plan and Other Postemployment Benefits disclosures in the Notes to the Financial Statements for further information on the Insurance Plan.

No assets have been accumulated in a trust to pay related benefits.

**Required Supplementary Information****Schedule of Changes in the Department's Total OPEB Liability and Related Ratios\***  
(Dollar amounts in thousands)

|  | <u>2021</u>     | <u>2020</u>     | <u>2019</u>     | <u>2018</u>     |
|--|-----------------|-----------------|-----------------|-----------------|
| Service cost   | 17,405          | 24,600          | 25,561          | 31,492          |
| Interest   | 26,236          | 30,520          | 27,481          | 24,779          |
| Changes of benefit terms   | ---             | ---             | ---             | ---             |
| Difference between expected and actual experience                | (2,646)         | (36,658)        | (1,758)         | ---             |
| Changes of assumptions or other inputs                           | 173,546         | (34,827)        | (37,482)        | (110,051)       |
| Benefit payments   | <u>(17,561)</u> | <u>(17,582)</u> | <u>(17,257)</u> | <u>(15,985)</u> |
| Net change in total OPEB liability                               | 196,980         | (33,947)        | (3,455)         | (69,765)        |
| Total OPEB liability beginning                                   | 738,785         | 772,732         | 776,187         | 845,952         |
| Total OPEB liability ending                                      | 935,765         | 738,785         | 772,732         | 776,187         |
| Covered employee payroll   | 234,924         | 232,227         | 226,598         | 226,826         |
| Total OPEB liability as a percentage of covered employee payroll | 398%            | 318%            | 341%            | 342%            |

There were no changes in benefit terms. The change in assumption was the discount rate.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each fiscal year. Discount rates used for fiscal years 2021 and 2020 were 2.21 percent and 3.51 percent, respectively.

No assets have been accumulated in a trust to pay related benefits.

\* This schedule will ultimately present ten years of data when available.





This page intentionally left blank

# Combining Financial Statements Nonmajor Governmental Funds

---

**Combining Balance Sheets**  
**Nonmajor Governmental Funds – Special Revenue**  
 June 30, 2021  
 With Summarized Financial Information for 2020

|   | <u>Multimodal<br/>Federal<br/>Fund</u> | <u>State<br/>General<br/>Revenue<br/>Fund</u> | <u>State<br/>Transportation<br/>Fund</u> | <u>Aviation<br/>Trust<br/>Fund</u> | <u>State<br/>Transportation<br/>Assistance<br/>Revolving Fund</u> | <u>MCS<br/>Federal<br/>Fund</u> |
|---|--|---|--|------------------------------------|---|---------------------------------|
| <b>Assets</b>   |  |   |  |                                    |   |                                 |
| Cash and cash equivalents   | \$ 2,022,306                           | \$ ---  | \$6,080,169                              | \$5,992,618                        | \$3,720,843   | \$162,055                       |
| State taxes and fees receivable   | ---                                    | ---   | 491,106                                  | 186,067                            | ---   | ---                             |
| Federal government receivable   | 13,424,143                             | ---   | ---                                      | ---                                | ---   | 387,073                         |
| Miscellaneous receivables, net  | ---                                    | 17,469  | ---                                      | 6,240                              | 12,301  | ---                             |
| Loans receivable  | ---                                    | ---   | ---                                      | ---                                | 639,370   | ---                             |
| <b>Total assets</b>   | <u>\$15,446,449</u>                    | <u>\$17,469</u>                               | <u>\$6,571,275</u>                       | <u>\$6,184,925</u>                 | <u>\$4,372,514</u>  | <u>\$549,128</u>                |
| <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>       |  |   |  |                                    |   |                                 |
| <b>Liabilities</b>  |  |   |  |                                    |   |                                 |
| Accounts payable  | \$14,851,210                           | \$17,469                                      | \$ 6,265                                 | \$ 136,401                         | \$ ---  | \$387,073                       |
| Accrued payroll   | 21,511                                 | ---   | 10,010                                   | 34,305                             | ---   | ---                             |
| Unearned revenue  | 1,418,257                              | ---   | ---                                      | ---                                | ---   | ---                             |
| Due to other funds  | 15,504                                 | ---   | 6,108                                    | 25,498                             | ---   | ---                             |
| <b>Total liabilities</b>  | <u>16,306,482</u>                      | <u>17,469</u>                                 | <u>22,383</u>                            | <u>196,204</u>                     | <u>---</u>  | <u>387,073</u>                  |
| <b>Deferred Inflows of Resources</b>                                      |  |   |  |                                    |   |                                 |
| Unavailable revenues  | 650,545                                | ---   | ---                                      | ---                                | ---   | ---                             |
| <b>Total deferred inflows of resources</b>                                | <u>650,545</u>                         | <u>---</u>                                    | <u>---</u>                               | <u>---</u>                         | <u>---</u>  | <u>---</u>                      |
| <b>Fund Balances</b>  |  |   |  |                                    |   |                                 |
| Unassigned  | (1,510,578)                            | ---   | ---                                      | ---                                | ---   | ---                             |
| Restricted – highways and transportation                                  | ---                                    | ---   | 6,548,892                                | 5,988,721                          | 4,372,514   | 162,055                         |
| <b>Total fund balances</b>  | <u>(1,510,578)</u>                     | <u>---</u>                                    | <u>6,548,892</u>                         | <u>5,988,721</u>                   | <u>4,372,514</u>  | <u>162,055</u>                  |
| <b>Total liabilities, deferred inflows of resources and fund balances</b> | <u>\$15,446,449</u>                    | <u>\$17,469</u>                               | <u>\$6,571,275</u>                       | <u>\$6,184,925</u>                 | <u>\$4,372,514</u>  | <u>\$549,128</u>                |

| Grade<br>Crossing<br>Safety Fund | Railroad<br>Expense Fund | Highway<br>Safety Fund | Motorcycle<br>Safety Fund | Total                |                     |
|----------------------------------|--------------------------|------------------------|---------------------------|----------------------|---------------------|
|                                  |                          |                        |                           | 2021                 | 2020                |
| \$ 3,293,612                     | \$ 839,777               | \$ 408,680             | \$ 70,161                 | \$ 22,590,221        | \$23,683,185        |
| 127,564                          | ---                      | ---                    | ---                       | 804,737              | 787,818             |
| ---                              | ---                      | 2,815,261              | ---                       | 16,626,477           | 7,725,970           |
| 611                              | ---                      | 8,197                  | ---                       | 44,818               | 287,546             |
| ---                              | ---                      | ---                    | ---                       | 639,370              | 821,277             |
| <u>\$ 3,421,787</u>              | <u>\$ 839,777</u>        | <u>\$ 3,232,138</u>    | <u>\$ 70,161</u>          | <u>\$40,705,623</u>  | <u>\$33,305,796</u> |
| <br>                             |                          |                        |                           |                      |                     |
| \$ 93,050                        | \$ 6,605                 | \$ 2,231,909           | \$ ---                    | \$17,729,982         | \$ 9,890,795        |
| ---                              | 31,434                   | 23,624                 | ---                       | 120,884              | 108,437             |
| ---                              | ---                      | ---                    | ---                       | 1,418,257            | 1,622,945           |
| ---                              | 19,270                   | ---                    | ---                       | 66,380               | 98,754              |
| <u>93,050</u>                    | <u>57,309</u>            | <u>2,255,533</u>       | <u>---</u>                | <u>19,335,503</u>    | <u>11,720,931</u>   |
| <br>                             |                          |                        |                           |                      |                     |
| ---                              | ---                      | ---                    | ---                       | 650,545              | 129,045             |
| ---                              | ---                      | ---                    | ---                       | 650,545              | 129,045             |
| <br>                             |                          |                        |                           |                      |                     |
| ---                              | ---                      | ---                    | ---                       | (1,510,578)          | (1,063,587)         |
| <u>3,328,737</u>                 | <u>782,468</u>           | <u>976,605</u>         | <u>70,161</u>             | <u>22,230,153</u>    | <u>22,519,407</u>   |
| <u>3,328,737</u>                 | <u>782,468</u>           | <u>976,605</u>         | <u>70,161</u>             | <u>20,719,575</u>    | <u>21,455,820</u>   |
| <u>\$ 3,421,787</u>              | <u>\$ 839,777</u>        | <u>\$ 3,232,138</u>    | <u>\$ 70,161</u>          | <u>\$ 40,705,623</u> | <u>\$33,305,796</u> |

## Combining Statements of Revenues, Expenditures and Changes in Fund Balances

### Nonmajor Governmental Funds – Special Revenue

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|   | <u>Multimodal<br/>Federal<br/>Fund</u> | <u>State<br/>General<br/>Revenue<br/>Fund</u> | <u>State<br/>Transportation<br/>Fund</u> | <u>Aviation<br/>Trust<br/>Fund</u> | <u>State<br/>Transportation<br/>Assistance<br/>Revolving Fund</u> | <u>MCS<br/>Federal<br/>Fund</u> |
|---|--|---|--|------------------------------------|---|---------------------------------|
| <b>Revenues</b>   |  |   |  |                                    |   |                                 |
| Fuel taxes  | \$ ---                                 | \$ ---  | \$ ---                                   | \$ 232,534                         | \$ ---  | \$ ---                          |
| Sales taxes   | ---                                    | ---   | 5,864,861                                | 2,427,375                          | ---   | ---                             |
| Licenses, fees and permits                              | ---                                    | ---   | ---                                      | ---                                | ---   | ---                             |
| Intergovernmental/cost<br>reimbursements/miscellaneous  | 340,087                                | ---   | 1,132                                    | 8,293                              | 146,291   | 5                               |
| Investment earnings                                     | ---                                    | ---   | 1,053                                    | (4,033)                            | 11,427  | ---                             |
| State government  | ---                                    | 57,914,140                                    | ---                                      | ---                                | ---   | ---                             |
| Federal government                                      | <u>72,300,964</u>                      | ---   | ---                                      | ---                                | ---   | <u>2,278,555</u>                |
| <b>Total revenues</b>                                   | <u>72,641,051</u>                      | <u>57,914,140</u>                             | <u>5,867,046</u>                         | <u>2,664,169</u>                   | <u>157,718</u>  | <u>2,278,560</u>                |
| <b>Expenditures</b>                                     |  |   |  |                                    |   |                                 |
| Current   |  |   |  |                                    |   |                                 |
| Safety and operations                                   | ---                                    | ---   | ---                                      | ---                                | ---   | 2,593,358                       |
| Program delivery  | ---                                    | 1,282,410                                     | ---                                      | ---                                | ---   | ---                             |
| Multimodal operations                                   | 73,015,509                             | 11,085,175                                    | 4,609,430                                | 4,864,340                          | 147,227   | ---                             |
| Capital outlay  | <u>16,860</u>                          | ---   | ---                                      | ---                                | ---   | ---                             |
| <b>Total expenditures</b>                               | <u>73,032,369</u>                      | <u>12,367,585</u>                             | <u>4,609,430</u>                         | <u>4,864,340</u>                   | <u>147,227</u>  | <u>2,593,358</u>                |
| <b>Excess of revenues over (under)<br/>expenditures</b> | <u>(391,318)</u>                       | <u>45,546,555</u>                             | <u>1,257,616</u>                         | <u>(2,200,171)</u>                 | <u>10,491</u>   | <u>(314,798)</u>                |
| <b>Other Financing Sources (Uses)</b>                   |  |   |  |                                    |   |                                 |
| Transfers out   | <u>(55,673)</u>                        | <u>(45,546,555)</u>                           | <u>(22,798)</u>                          | <u>(94,368)</u>                    | ---   | ---                             |
| <b>Total other financing sources (uses)</b>             | <u>(55,673)</u>                        | <u>(45,546,555)</u>                           | <u>(22,798)</u>                          | <u>(94,368)</u>                    | ---   | ---                             |
| <b>Net Changes in Fund Balances</b>                     | (446,991)                              | ---   | 1,234,818                                | (2,294,539)                        | 10,491  | (314,798)                       |
| <b>Fund Balances, beginning of year</b>                 | <u>(1,063,587)</u>                     | ---   | <u>5,314,074</u>                         | <u>8,283,260</u>                   | <u>4,362,023</u>  | <u>476,853</u>                  |
| <b>Fund Balances, end of year</b>                       | <u>\$(1,510,578)</u>                   | <u>\$ ---</u>                                 | <u>\$6,548,892</u>                       | <u>\$5,988,721</u>                 | <u>\$4,372,514</u>  | <u>\$ 162,055</u>               |

| Grade<br>Crossing<br>Safety Fund | Railroad<br>Expense Fund | Highway<br>Safety Fund | Motorcycle<br>Safety Fund | Total                |                      |
|----------------------------------|--------------------------|------------------------|---------------------------|----------------------|----------------------|
|                                  |                          |                        |                           | 2021                 | 2020                 |
| \$ ---                           | \$ ---                   | \$ ---                 | \$ ---                    | \$ 232,534           | \$ 234,903           |
| ---                              | ---                      | ---                    | ---                       | 8,292,236            | 9,422,781            |
| 1,393,951                        | 1,142,510                | ---                    | 174,988                   | 2,711,449            | 2,534,374            |
| 411                              | 128                      | 18                     | ---                       | 496,365              | 1,958,401            |
| 290                              | ---                      | ---                    | ---                       | 8,737                | 236,110              |
| ---                              | ---                      | ---                    | ---                       | 57,914,140           | 63,477,556           |
| ---                              | ---                      | 16,541,731             | ---                       | 91,121,250           | 73,555,890           |
| <u>1,394,652</u>                 | <u>1,142,638</u>         | <u>16,541,749</u>      | <u>174,988</u>            | <u>160,776,711</u>   | <u>151,420,015</u>   |
| ---                              | ---                      | 15,958,569             | 126,950                   | 18,678,877           | 18,034,062           |
| ---                              | ---                      | ---                    | ---                       | 1,282,410            | ---                  |
| 1,213,572                        | 726,725                  | ---                    | ---                       | 95,661,978           | 82,505,487           |
| ---                              | ---                      | ---                    | ---                       | 16,860               | 124,003              |
| <u>1,213,572</u>                 | <u>726,725</u>           | <u>15,958,569</u>      | <u>126,950</u>            | <u>115,640,125</u>   | <u>100,663,552</u>   |
| <u>181,080</u>                   | <u>415,913</u>           | <u>583,180</u>         | <u>48,038</u>             | <u>45,136,586</u>    | <u>50,756,463</u>    |
| ---                              | (153,437)                | ---                    | ---                       | (45,872,831)         | (50,546,654)         |
| ---                              | (153,437)                | ---                    | ---                       | (45,872,831)         | (50,546,654)         |
| 181,080                          | 262,476                  | 583,180                | 48,038                    | (736,245)            | 209,809              |
| <u>3,147,657</u>                 | <u>519,992</u>           | <u>393,425</u>         | <u>22,123</u>             | <u>21,455,820</u>    | <u>21,246,011</u>    |
| <u>\$3,328,737</u>               | <u>\$ 782,468</u>        | <u>\$ 976,605</u>      | <u>\$ 70,161</u>          | <u>\$ 20,719,575</u> | <u>\$ 21,455,820</u> |



This page intentionally left blank

# Combining Financial Statements Proprietary Funds

---



## Combining Statements of Net Position

### Proprietary Funds – Internal Service

June 30, 2021

With Summarized Financial Information for 2020

|                                  | MoDOT & MSHP<br>Medical and Life<br>Insurance Plan | MHTC<br>Self Insurance<br>Plan | Total                |                      |
|----------------------------------|--|--------------------------------|----------------------|----------------------|
|                                  |  |                                | 2021                 | 2020                 |
| <b>Assets</b>                    |  |                                |                      |                      |
| Current assets                   |  |                                |                      |                      |
| Cash and cash equivalents        | \$21,016,241                                       | \$ 12,463,623                  | \$ 33,479,864        | \$ 31,418,839        |
| Investments                      | 4,192,144  | 6,057,216                      | 10,249,360           | 13,399,560           |
| Restricted investments           | 100,000  | ---                            | 100,000              | 100,000              |
| Miscellaneous receivables        | <u>5,296,597</u>                                   | <u>151,134</u>                 | <u>5,447,731</u>     | <u>2,738,010</u>     |
| Total current assets             | <u>30,604,982</u>                                  | <u>18,671,973</u>              | <u>49,276,955</u>    | <u>47,656,409</u>    |
| Noncurrent assets                |  |                                |                      |                      |
| Investments                      | 49,653,338   | 94,563,941                     | 144,217,279          | 139,472,987          |
| Restricted investments           | ---  | 200,000                        | 200,000              | 200,000              |
| Total noncurrent assets          | <u>49,653,338</u>                                  | <u>94,763,941</u>              | <u>144,417,279</u>   | <u>139,672,987</u>   |
| <b>Total assets</b>              | <u>80,258,320</u>                                  | <u>113,435,914</u>             | <u>193,694,234</u>   | <u>187,329,396</u>   |
| <b>Liabilities</b>               |  |                                |                      |                      |
| Current liabilities              |  |                                |                      |                      |
| Accounts payable                 | 2,027,023  | 32,900                         | 2,059,923            | 819,944              |
| Unearned revenue                 | 11,173,118   | ---                            | 11,173,118           | 9,379,908            |
| Pending self insurance claims    | ---  | 15,213,000                     | 15,213,000           | 16,981,000           |
| Incurred but not reported claims | <u>11,900,000</u>                                  | <u>7,208,000</u>               | <u>19,108,000</u>    | <u>16,203,000</u>    |
| Total current liabilities        | <u>25,100,141</u>                                  | <u>22,453,900</u>              | <u>47,554,041</u>    | <u>43,383,852</u>    |
| Noncurrent liabilities           |  |                                |                      |                      |
| Pending self insurance claims    | ---  | 37,584,752                     | 37,584,752           | 34,555,193           |
| Incurred but not reported claims | ---  | <u>17,807,000</u>              | <u>17,807,000</u>    | <u>11,606,000</u>    |
| Total noncurrent liabilities     | ---  | <u>55,391,752</u>              | <u>55,391,752</u>    | <u>46,161,193</u>    |
| <b>Total liabilities</b>         | <u>25,100,141</u>                                  | <u>77,845,652</u>              | <u>102,945,793</u>   | <u>89,545,045</u>    |
| <b>Net Position</b>              |  |                                |                      |                      |
| Restricted net position          | 100,000  | 200,000                        | 300,000              | 300,000              |
| Unrestricted net position        | <u>55,058,179</u>                                  | <u>35,390,262</u>              | <u>90,448,441</u>    | <u>97,484,351</u>    |
| <b>Total net position</b>        | <u>\$55,158,179</u>                                | <u>\$ 35,590,262</u>           | <u>\$ 90,748,441</u> | <u>\$ 97,784,351</u> |

# Combining Statements of Revenues, Expenses and Changes in Net Position

Proprietary Funds – Internal Service

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | MoDOT & MSHP<br>Medical and Life<br>Insurance Plan | MHTC<br>Self Insurance<br>Plan | Total                |                      |
|--|--|--------------------------------|----------------------|----------------------|
|  |  |                                | 2021                 | 2020                 |
| <b>Operating Revenues</b>              |  |                                |                      |                      |
| Self insurance premiums                |  |                                |                      |                      |
| Highway workers' compensation          | \$ ---   | \$ 7,484,625                   | \$ 7,484,625         | \$ 6,000,000         |
| Highway patrol workers' compensation   | ---  | 2,400,000                      | 2,400,000            | 2,400,000            |
| Highway fleet vehicle liability        | ---  | 1,284,625                      | 1,284,625            | 2,000,000            |
| Highway general liability              | ---  | 3,984,621                      | 3,984,621            | 9,000,000            |
| Medical insurance premiums             |  |                                |                      |                      |
| State                                  | 93,272,710   | ---                            | 93,272,710           | 94,007,947           |
| Member                                 | 47,262,665   | ---                            | 47,262,665           | 47,366,126           |
| Other                                  | <u>13,729,082</u>                                  | <u>1,030,255</u>               | <u>14,759,337</u>    | <u>11,050,559</u>    |
| <b>Total operating revenues</b>        | <u>154,264,457</u>                                 | <u>16,184,126</u>              | <u>170,448,583</u>   | <u>171,824,632</u>   |
| <b>Operating Expenses</b>              |  |                                |                      |                      |
| Self insurance programs                |  |                                |                      |                      |
| Highway workers' compensation          | ---  | 6,501,746                      | 6,501,746            | 10,769,467           |
| Highway patrol workers' compensation   | ---  | 3,728,938                      | 3,728,938            | 3,298,735            |
| Highway fleet vehicle liability        | ---  | 2,779,788                      | 2,779,788            | (2,539,091)          |
| Highway general liability              | ---  | 14,180,078                     | 14,180,078           | 586,004              |
| Other                                  | ---  | 950,701                        | 950,701              | 1,039,606            |
| Medical and life insurance program     |  |                                |                      |                      |
| Insurance premiums                     | 7,269,205  | ---                            | 7,269,205            | 7,650,863            |
| Medical benefits                       | 99,356,352   | ---                            | 99,356,352           | 90,733,645           |
| Prescription drug benefits             | 35,750,253   | ---                            | 35,750,253           | 34,708,343           |
| Professional fees                      | 960,296  | ---                            | 960,296              | 1,050,429            |
| Administrative services                | <u>6,338,875</u>                                   | <u>---</u>                     | <u>6,338,875</u>     | <u>6,606,048</u>     |
| <b>Total operating expenses</b>        | <u>149,674,981</u>                                 | <u>28,141,251</u>              | <u>177,816,232</u>   | <u>153,904,049</u>   |
| <b>Operating income (loss)</b>         | <u>4,589,476</u>                                   | <u>(11,957,125)</u>            | <u>(7,367,649)</u>   | <u>17,920,583</u>    |
| <b>Nonoperating Revenues</b>           |  |                                |                      |                      |
| Net appreciation and investment income | <u>115,363</u>                                     | <u>216,376</u>                 | <u>331,739</u>       | <u>5,395,774</u>     |
| <b>Total nonoperating revenues</b>     | <u>115,363</u>                                     | <u>216,376</u>                 | <u>331,739</u>       | <u>5,395,774</u>     |
| <b>Changes in Net Position</b>         | 4,704,839  | (11,740,749)                   | (7,035,910)          | 23,316,357           |
| <b>Net Position, beginning of year</b> | <u>50,453,340</u>                                  | <u>47,331,011</u>              | <u>97,784,351</u>    | <u>74,467,994</u>    |
| <b>Net Position, end of year</b>       | <u>\$ 55,158,179</u>                               | <u>\$ 35,590,262</u>           | <u>\$ 90,748,441</u> | <u>\$ 97,784,351</u> |

## Combining Statements of Cash Flows

### Proprietary Funds – Internal Service

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|   | MoDOT & MSHP<br>Medical and Life<br>Insurance Plan | MHTC<br>Self Insurance<br>Plan | Total                |                      |
|---|--|--------------------------------|----------------------|----------------------|
|   |  |                                | 2021                 | 2020                 |
| <b>Cash Flows From Operating Activities</b>   |  |                                |                      |                      |
| Receipts from interfund services provided   | \$ 151,392,568                                     | \$ 16,184,126                  | \$ 167,576,694       | \$ 172,120,561       |
| Payments for interfund services used  | (139,182,599)                                      | (18,222,991)                   | (157,405,590)        | (150,645,807)        |
| Payments to suppliers   | (6,059,193)  | (950,701)                      | (7,009,894)          | (10,359,155)         |
| Net cash provided by (used in) operating activities   | <u>6,150,776</u>                                   | <u>(2,989,566)</u>             | <u>3,161,210</u>     | <u>11,115,599</u>    |
| <b>Cash Flows From Investing Activities</b>   |  |                                |                      |                      |
| Proceeds from sale and maturities of investments  | 48,792,159   | 96,891,866                     | 145,684,025          | 160,576,846          |
| Purchases of investments  | (55,732,715)                                       | (93,408,800)                   | (149,141,515)        | (164,494,775)        |
| Interest received   | 867,730  | 1,631,453                      | 2,499,183            | 3,592,142            |
| Investment fees   | (48,030)   | (93,848)                       | (141,878)            | (140,902)            |
| Net cash provided by (used in) investing activities   | <u>(6,120,856)</u>                                 | <u>5,020,671</u>               | <u>(1,100,185)</u>   | <u>(466,689)</u>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>   | 29,920   | 2,031,105                      | 2,061,025            | 10,648,910           |
| <b>Cash and Cash Equivalents, beginning of year</b>   | <u>20,986,321</u>                                  | <u>10,432,518</u>              | <u>31,418,839</u>    | <u>20,769,929</u>    |
| <b>Cash and Cash Equivalents, end of year</b>   | <u>\$ 21,016,241</u>                               | <u>\$ 12,463,623</u>           | <u>\$ 33,479,864</u> | <u>\$ 31,418,839</u> |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b> |  |                                |                      |                      |
| Operating income (loss)   | \$ 4,589,476                                       | \$(11,957,125)                 | \$ (7,367,649)       | \$ 17,920,583        |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities |  |                                |                      |                      |
| Receivables   | (2,871,889)  | ---                            | (2,871,889)          | 295,929              |
| Accounts and claims payable   | 2,639,979  | 8,967,559                      | 11,607,538           | (7,163,972)          |
| Unearned revenue  | <u>1,793,210</u>                                   | ---                            | <u>1,793,210</u>     | <u>63,059</u>        |
| <b>Net cash provided by (used in) operating activities</b>  | <u>\$ 6,150,776</u>                                | <u>\$ (2,989,566)</u>          | <u>\$ 3,161,210</u>  | <u>\$ 11,115,599</u> |
| <b>Noncash Items Impacting Recorded Assets</b>  |  |                                |                      |                      |
| Increase (decrease) in fair value of investments  | <u>\$(663,717)</u>                                 | <u>\$ 1,371,624</u>            | <u>\$(1,863,397)</u> | <u>\$ 1,966,435</u>  |

Budgetary Comparison  
Schedules and  
Reconciliations  
Debt Service and Nonmajor  
Governmental Funds

---

## Budgetary Comparison Schedule and Reconciliation

### Debt Service – State Road Bond Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual               | Variances Between<br>Final Budget and Actual |                       |
|--|------------------------------|----------------------|--|-----------------------|
|  |                              |                      | 2021   | 2020                  |
| <b>Budgetary fund balance, beginning of year</b> | \$ 31,936,513                | \$ 31,936,513        | \$ ---                                       | \$ ---                |
| Resources (inflows)                              |                              |                      |  |                       |
| Vehicle sales taxes                              | 181,644,000                  | 224,111,208          | 42,467,208                                   | (14,103,174)          |
| Interest   | 568,000                      | 619,380              | 51,380                                       | 475,375               |
| Incidentals                                      | <u>6,946,000</u>             | <u>3,562,750</u>     | <u>(3,383,250)</u>                           | <u>6,071,130</u>      |
| <b>Amount available for appropriation</b>        | <u>221,094,513</u>           | <u>260,229,851</u>   | <u>39,135,338</u>                            | <u>(7,556,669)</u>    |
| Charges to appropriations (outflows)             |                              |                      |  |                       |
| Bond principal and interest payments             | <u>201,259,881</u>           | <u>182,469,072</u>   | <u>18,790,809</u>                            | <u>19,412</u>         |
| <b>Total charges to appropriations</b>           | <u>201,259,881</u>           | <u>182,469,072</u>   | <u>18,790,809</u>                            | <u>19,412</u>         |
| <b>Budgetary fund balance, end of year</b>       | <u>\$ 19,834,632</u>         | <u>\$ 77,760,779</u> | <u>\$ 57,926,147</u>                         | <u>\$ (7,537,257)</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021      |
|---|---------------------|
| <b>Budgetary fund balance, end of year</b>  | \$77,760,779        |
| Receivables                                 | 20,885,782          |
| Change in fair value of investments         | <u>(174,375)</u>    |
| <b>GAAP basis fund balance, end of year</b> | <u>\$98,472,186</u> |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental – Multimodal Federal Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual              | Variances Between<br>Final Budget and Actual |                        |
|--|------------------------------|---------------------|--|------------------------|
|  |                              |                     | 2021   | 2020                   |
| <b>Budgetary fund balance, beginning of year</b>   | \$ 2,225,398                 | \$ 2,225,398        | \$ ---                                       | \$ ---                 |
| Resources (inflows)                                |                              |                     |  |                        |
| Intergovernmental/cost reimbursement/miscellaneous | ---                          | 369,030             | 369,030                                      | 2,163,389              |
| Federal government                                 | <u>233,726,117</u>           | <u>64,944,292</u>   | <u>(168,781,825)</u>                         | <u>(63,378,606)</u>    |
| <b>Amount available for appropriation</b>          | <u>235,951,515</u>           | <u>67,538,720</u>   | <u>(168,412,795)</u>                         | <u>(61,215,217)</u>    |
| Charges to appropriations (outflows)               |                              |                     |  |                        |
| Multimodal operations                              |                              |                     |  |                        |
| Personal service                                   | 332,490                      | 291,046             | 41,444                                       | 10,849                 |
| Fringe benefits                                    |                              |                     |  |                        |
| Retirement and long-term disability                | 192,845                      | 154,657             | 38,188                                       | 15,445                 |
| Medical and life insurance                         | 54,761                       | 46,227              | 8,534  | 3,357                  |
| Other fringe benefits                              | 26,155                       | 21,393              | 4,762  | 2,129                  |
| Expense and equipment                              | 274,600                      | 71,075              | 203,525                                      | 90,124                 |
| Program  | <u>273,687,308</u>           | <u>64,932,016</u>   | <u>208,755,292</u>                           | <u>39,998,239</u>      |
| <b>Total charges to appropriations</b>             | <u>274,568,159</u>           | <u>65,516,414</u>   | <u>209,051,745</u>                           | <u>40,120,143</u>      |
| <b>Budgetary fund balance, end of year</b>         | \$ <u>(38,616,644)</u>       | \$ <u>2,022,306</u> | \$ <u>40,638,950</u>                         | \$ <u>(21,095,074)</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021        |
|---|-----------------------|
| <b>Budgetary fund balance, end of year</b>  | \$ 2,022,306          |
| Receivables                                 | 13,424,143            |
| Payables                                    | (14,872,721)          |
| Unearned revenues                           | (1,418,257)           |
| Deferred revenues                           | (650,545)             |
| Due to other funds                          | <u>(15,504)</u>       |
| <b>GAAP basis fund balance, end of year</b> | \$ <u>(1,510,578)</u> |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental – State General Revenue Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual            | Variances Between<br>Final Budget and Actual |                        |
|--|------------------------------|-------------------|--|------------------------|
|  |                              |                   | 2021   | 2020                   |
| <b>Budgetary fund balance, beginning of year</b> | \$ ---                       | \$ ---            | \$ ---                                       | \$ ---                 |
| Resources (inflows)                              |                              |                   |  |                        |
| State government                                 | 41,256,230                   | 16,231,420        | (25,024,810)                                 | (101,443,772)          |
| <b>Amount available for appropriation</b>        | <u>41,256,230</u>            | <u>16,231,420</u> | <u>(25,024,810)</u>                          | <u>(101,443,772)</u>   |
| Charges to appropriations (outflows)             |                              |                   |  |                        |
| Multimodal operations                            |                              |                   |  |                        |
| Program  | 16,256,230                   | 14,949,010        | 1,307,220                                    | 52,553,314             |
| Program delivery                                 |                              |                   |  |                        |
| Program  | 25,000,000                   | 1,282,410         | 23,717,590                                   | ---                    |
| <b>Total charges to appropriations</b>           | <u>41,256,230</u>            | <u>16,231,420</u> | <u>25,024,810</u>                            | <u>52,553,314</u>      |
| <b>Budgetary fund balance, end of year</b>       | \$ <u>---</u>                | \$ <u>---</u>     | \$ <u>---</u>                                | \$ <u>(48,890,458)</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021 |
|---|----------------|
| <b>Budgetary fund balance, end of year</b>  | \$ ---         |
| Receivables                                 | 17,469         |
| Due from other funds                        | ---            |
| Payables                                    | (17,469)       |
| Unearned revenues                           | ---            |
| Deferred receivables                        | ---            |
| Due to other funds                          | ---            |
| <b>GAAP basis fund balance, end of year</b> | \$ <u>---</u>  |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental - State Transportation Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual              | Variances Between<br>Final Budget and Actual |                   |
|--|------------------------------|---------------------|--|-------------------|
|  |                              |                     | 2021   | 2020              |
| <b>Budgetary fund balance, beginning of year</b>       | \$4,732,206                  | \$ 4,732,206        | \$ ---                                       | \$ ---            |
| Resources (inflows)                                    |                              |                     |  |                   |
| Sales taxes  | 4,844,000                    | 5,976,334           | 1,132,334                                    | (274,128)         |
| Interest   | 4,000                        | 1,053               | (2,947)                                      | 3,798             |
| Intergovernmental/cost reimbursement/<br>miscellaneous | ---                          | 1,088               | 1,088  | ---               |
| <b>Amount available for appropriation</b>              | <u>9,580,206</u>             | <u>10,710,681</u>   | <u>1,130,475</u>                             | <u>(270,330)</u>  |
| Charges to appropriations (outflows)                   |                              |                     |  |                   |
| Multimodal operations                                  |                              |                     |  |                   |
| Personal service                                       | 169,785                      | 135,504             | 34,281                                       | 15,981            |
| Fringe benefits  |                              |                     |  |                   |
| Retirement and long-term disability                    | 94,475                       | 77,326              | 17,149                                       | 9,859             |
| Medical and life insurance                             | 30,954                       | 28,625              | 2,329  | (702)             |
| Other fringe benefits                                  | 12,886                       | 9,719               | 3,167  | 1,812             |
| Expense and equipment                                  | 96,220                       | 30,001              | 66,219                                       | 32,951            |
| Program  | 4,736,844                    | 4,349,337           | 387,507                                      | 679,139           |
| <b>Total charges to appropriations</b>                 | <u>5,141,164</u>             | <u>4,630,512</u>    | <u>510,652</u>                               | <u>739,040</u>    |
| <b>Budgetary fund balance, end of year</b>             | <u>\$4,439,042</u>           | <u>\$ 6,080,169</u> | <u>\$ 1,641,127</u>                          | <u>\$ 468,710</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021     |
|---|--------------------|
| <b>Budgetary fund balance, end of year</b>  | \$6,080,169        |
| Receivables                                 | 491,106            |
| Payables                                    | (16,275)           |
| Due to other funds                          | <u>(6,108)</u>     |
| <b>GAAP basis fund balance, end of year</b> | <u>\$6,548,892</u> |



## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental - Aviation Trust Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual              | Variances Between<br>Final Budget and Actual |                     |
|--|------------------------------|---------------------|--|---------------------|
|  |                              |                     | 2021   | 2020                |
| <b>Budgetary fund balance, beginning of year</b> | \$ 8,883,001                 | \$ 8,882,438        | \$ (563)                                     | \$ ---              |
| Resources (inflows)                              |                              |                     |  |                     |
| Fuel taxes                                       | 201,000                      | 227,230             | 26,230                                       | (30,178)            |
| Sales taxes                                      | 4,464,000                    | 2,267,178           | (2,196,822)                                  | (2,651,387)         |
| Interest   | 33,000                       | 36,380              | 3,380  | 69,565              |
| Intergovernmental/cost                           |                              |                     |  |                     |
| Reimbursements/miscellaneous                     | ---                          | 8,292               | 8,292  | 27,558              |
| <b>Amount available for appropriation</b>        | <u>13,581,001</u>            | <u>11,421,518</u>   | <u>(2,159,483)</u>                           | <u>(2,584,442)</u>  |
| Charges to appropriations (outflows)             |                              |                     |  |                     |
| Multimodal operations                            |                              |                     |  |                     |
| Personal service                                 | 530,035                      | 489,644             | 40,391                                       | 16,600              |
| Fringe benefits                                  |                              |                     |  |                     |
| Retirement and Long-Term                         | 307,422                      | 261,344             | 46,078                                       | 15,655              |
| Disability                                       |                              |                     |  |                     |
| Medical and Life Insurance                       | 90,490                       | 57,404              | 33,086                                       | 22,409              |
| Other Fringe Benefits                            | 50,467                       | 35,874              | 14,593                                       | 3,718               |
| Expense and equipment                            | 252,153                      | 177,480             | 74,673                                       | 37,328              |
| Program  | 10,000,000                   | 4,395,936           | 5,604,064                                    | 5,714,432           |
| <b>Total charges to appropriations</b>           | <u>11,230,567</u>            | <u>5,417,682</u>    | <u>5,812,885</u>                             | <u>5,810,142</u>    |
| <b>Budgetary fund balance, end of year</b>       | \$ <u>2,350,434</u>          | \$ <u>6,003,836</u> | \$ <u>3,653,402</u>                          | \$ <u>3,225,700</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021      |
|---|---------------------|
| <b>Budgetary fund balance, end of year</b>  | \$6,003,836         |
| Receivables                                 | 192,307             |
| Payables                                    | (170,706)           |
| Due to other funds                          | (25,498)            |
| Change in fair value of investments         | <u>(11,218)</u>     |
| <b>GAAP basis fund balance, end of year</b> | \$ <u>5,988,721</u> |

**Budgetary Comparison Schedule and Reconciliation**  
**Nonmajor Governmental – State Transportation Assistance Revolving Fund**  
**Year Ended June 30, 2021**  
**With Summarized Financial Information for 2020**

|   | Final Budgeted     | <u>Actual</u>      | Variances Between              |                   |
|---|--------------------|--------------------|--------------------------------|-------------------|
|   | <u>Amounts</u>     |                    | <u>Final Budget and Actual</u> | <u>2021</u>       |
| <b>Budgetary fund balance, beginning of year</b>    | \$3,514,702        | \$3,514,701        | \$ (1)                         | \$ ---            |
| Resources (inflows)                                 |                    |                    |                                |                   |
| License fees, and permits                           | ---                | ---                | ---                            | 2,020             |
| Interest  | 19,000             | 36,642             | 17,642                         | 82,841            |
| Intergovernmental/cost reimbursements/miscellaneous | <u>100,000</u>     | <u>323,692</u>     | <u>223,692</u>                 | <u>(662,092)</u>  |
| <b>Amount available for appropriation</b>           | <u>3,633,702</u>   | <u>3,875,035</u>   | <u>241,333</u>                 | <u>(577,231)</u>  |
| Charges to appropriations (outflows)                |                    |                    |                                |                   |
| Multimodal operations                               |                    |                    |                                |                   |
| Expense and equipment                               | 936                | 702                | 234                            | ---               |
| Program   | <u>1,000,000</u>   | <u>146,525</u>     | <u>853,475</u>                 | <u>1,000,000</u>  |
| <b>Total charges to appropriations</b>              | <u>1,000,936</u>   | <u>147,227</u>     | <u>853,709</u>                 | <u>1,000,000</u>  |
| <b>Budgetary fund balance, end of year</b>          | <u>\$2,632,766</u> | <u>\$3,727,808</u> | <u>\$1,095,042</u>             | <u>\$ 422,769</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | <u>Actual</u><br><u>2021</u> |
|---|------------------------------|
| <b>Budgetary fund balance, end of year</b>  | \$3,727,808                  |
| Receivables                                 | 651,671                      |
| Change in fair value of investments         | <u>(6,965)</u>               |
| <b>GAAP basis fund balance, end of year</b> | <u>\$4,372,514</u>           |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental – MCS Federal Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual            | Variances Between<br>Final Budget and Actual |                     |
|--|------------------------------|-------------------|--|---------------------|
|  |                              |                   | 2021   | 2020                |
| <b>Budgetary fund balance, beginning of year</b>       | \$ 132,195                   | \$ 132,195        | \$ ---                                       | \$ ---              |
| Resources (inflows)                                    |                              |                   |  |                     |
| Intergovernmental/cost<br>reimbursements/miscellaneous | ---                          | 5                 | 5  | 65                  |
| Federal government                                     | <u>3,299,725</u>             | <u>2,618,143</u>  | <u>(681,582)</u>                             | <u>(703,106)</u>    |
| <b>Amount available for appropriation</b>              | <u>3,431,920</u>             | <u>2,750,343</u>  | <u>(681,577)</u>                             | <u>(703,041)</u>    |
| Charges to appropriations (outflows)                   |                              |                   |  |                     |
| Safety and Operations<br>Program                       | <u>3,299,725</u>             | <u>2,588,288</u>  | <u>711,437</u>                               | <u>330,993</u>      |
| <b>Total charges to appropriations</b>                 | <u>3,299,725</u>             | <u>2,588,288</u>  | <u>711,437</u>                               | <u>330,993</u>      |
| <b>Budgetary fund balance, end of year</b>             | \$ <u>132,195</u>            | \$ <u>162,055</u> | \$ <u>29,860</u>                             | \$ <u>(372,048)</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021   |
|---|------------------|
| <b>Budgetary fund balance, end of year</b>  | \$162,055        |
| Receivables                                 | 387,073          |
| Payables                                    | (387,073)        |
| Deferred Revenue                            | ---              |
| <b>GAAP basis fund balance, end of year</b> | <u>\$162,055</u> |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental – Grade Crossing Safety Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|   | Final<br>Budgeted<br>Amounts | Actual             | Variances Between<br>Final Budget and Actual |                    |
|---|------------------------------|--------------------|--|--------------------|
|   |                              |                    | 2021   | 2020               |
| <b>Budgetary fund balance, beginning of year</b>                | \$3,205,724                  | \$3,205,724        | \$ ---                                       | \$ ---             |
| Resources (inflows)   |                              |                    |  |                    |
| License, fees and permits                                       | 1,482,816                    | 1,430,492          | (52,324)                                     | 63,791             |
| Intergovernmental/cost<br>reimbursements/miscellaneous Interest | ---                          | 411                | 411  | 1,120              |
| Interest  | <u>2,000</u>                 | <u>290</u>         | <u>(1,710)</u>                               | <u>551</u>         |
| <b>Amount available for appropriations</b>                      | <u>4,690,540</u>             | <u>4,636,917</u>   | <u>(53,623)</u>                              | <u>65,462</u>      |
| Charges to appropriations (outflows)                            |                              |                    |  |                    |
| Multimodal operations   |                              |                    |  |                    |
| Expense and equipment   | 14,591                       | 14,591             | ---  | ---                |
| Program   | <u>3,000,000</u>             | <u>1,328,714</u>   | <u>1,671,286</u>                             | <u>1,755,596</u>   |
| <b>Total charges to appropriations</b>                          | <u>3,014,591</u>             | <u>1,343,305</u>   | <u>1,671,286</u>                             | <u>1,755,596</u>   |
| <b>Budgetary fund balance, end of year</b>                      | <u>\$1,675,949</u>           | <u>\$3,293,612</u> | <u>\$1,617,663</u>                           | <u>\$1,821,058</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021     |
|---|--------------------|
| <b>Budgetary fund balance, end of year</b>  | \$3,293,612        |
| Receivables                                 | 128,175            |
| Payables                                    | (93,050)           |
| Unavailable revenues                        | ---                |
| <b>GAAP basis fund balance, end of year</b> | <u>\$3,328,737</u> |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental – Railroad Expense Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual            | Variances Between<br>Final Budget and Actual |                  |
|--|------------------------------|-------------------|--|------------------|
|  |                              |                   | 2021   | 2020             |
| <b>Budgetary fund balance, beginning of year</b>       | \$ 604,049                   | \$ 604,049        | \$ ---                                       | \$ ---           |
| Resources (inflows)                                    |                              |                   |  |                  |
| License, fees and permits                              | 1,157,184                    | 1,142,510         | (14,674)                                     | 2,401            |
| Intergovernmental/cost<br>reimbursements/miscellaneous | ---                          | 128               | 128  | ---              |
| <b>Amount available for appropriation</b>              | <u>1,761,233</u>             | <u>1,746,687</u>  | <u>(14,546)</u>                              | <u>2,401</u>     |
| Charges to appropriations (outflows)                   |                              |                   |  |                  |
| Multimodal operations                                  |                              |                   |  |                  |
| Personal service                                       | 495,144                      | 392,838           | 102,306                                      | 33,561           |
| Fringe benefits  |                              |                   |  |                  |
| Retirement and Long-Term<br>Disability                 | 287,185                      | 227,259           | 59,926                                       | 21,937           |
| Medical and Life Insurance                             | 88,160                       | 67,281            | 20,879                                       | 18,011           |
| Other Fringe Benefits                                  | 38,134                       | 29,144            | 8,990  | 3,989            |
| Expense and equipment                                  | <u>853,072</u>               | <u>190,388</u>    | <u>662,684</u>                               | <u>8,246</u>     |
| <b>Total charges to appropriations</b>                 | <u>1,761,695</u>             | <u>906,910</u>    | <u>854,785</u>                               | <u>85,744</u>    |
| <b>Budgetary fund balance, end of year</b>             | \$ <u>(462)</u>              | \$ <u>839,777</u> | \$ <u>840,239</u>                            | \$ <u>88,145</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021   |
|---|------------------|
| <b>Budgetary fund balance, end of year</b>  | \$839,777        |
| Payables                                    | (38,039)         |
| Due to other funds                          | (19,270)         |
| <b>GAAP basis fund balance, end of year</b> | <u>\$782,468</u> |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental – Highway Safety Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual            | Variances Between<br>Final Budget and Actual |                     |
|--|------------------------------|-------------------|--|---------------------|
|  |                              |                   | 2021   | 2020                |
| <b>Budgetary fund balance, beginning of year</b>       | \$ 338,001                   | \$ 338,001        | \$ ---                                       | \$ ---              |
| Resources (inflows)                                    |                              |                   |  |                     |
| Intergovernmental/cost<br>reimbursements/miscellaneous | ---                          | 18                | 18   | 7,299               |
| Federal government                                     | <u>19,487,060</u>            | <u>15,180,419</u> | <u>(4,306,641)</u>                           | <u>(3,649,646)</u>  |
| <b>Amount available for appropriation</b>              | <u>19,825,061</u>            | <u>15,518,438</u> | <u>(4,306,623)</u>                           | <u>(3,642,347)</u>  |
| Charges to appropriations (outflows)                   |                              |                   |  |                     |
| Safety and Operations                                  |                              |                   |  |                     |
| Personal service                                       | 336,772                      | 293,968           | 42,804                                       | 1,059               |
| Fringe benefits  |                              |                   |  |                     |
| Retirement and Long-Term<br>Disability                 | 195,328                      | 170,458           | 24,870                                       | 740                 |
| Medical and Life Insurance                             | 63,313                       | 57,539            | 5,774  | 115                 |
| Other Fringe Benefits                                  | 25,687                       | 21,072            | 4,615  | 1,644               |
| Expense and equipment<br>Program                       | 54,800                       | 5,298             | 49,502                                       | 7,315               |
| <b>Total charges to appropriations</b>                 | <u>19,000,000</u>            | <u>14,561,423</u> | <u>4,438,577</u>                             | <u>3,366,489</u>    |
|  | <u>19,675,900</u>            | <u>15,109,758</u> | <u>4,566,142</u>                             | <u>3,377,362</u>    |
| <b>Budgetary fund balance, end of year</b>             | \$ <u>149,161</u>            | \$ <u>408,680</u> | \$ <u>259,519</u>                            | \$ <u>(264,985)</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021    |
|---|-------------------|
| <b>Budgetary fund balance, end of year</b>  | \$ 408,680        |
| Receivables                                 | 2,823,458         |
| Payables                                    | (2,255,533)       |
| Deferred revenues                           | ---               |
| <b>GAAP basis fund balance, end of year</b> | \$ <u>976,605</u> |

## Budgetary Comparison Schedule and Reconciliation

### Nonmajor Governmental – Motorcycle Safety Fund

Year Ended June 30, 2021

With Summarized Financial Information for 2020

|  | Final<br>Budgeted<br>Amounts | Actual           | Variances Between<br>Final Budget and Actual |                   |
|--|------------------------------|------------------|--|-------------------|
|  |                              |                  | 2021   | 2020              |
| <b>Budgetary fund balance, beginning of year</b> | \$ 22,123                    | \$ 22,123        | \$ ---                                       | \$ ---            |
| Resources (inflows)                              |                              |                  |  |                   |
| License, fees and permits                        | <u>330,461</u>               | <u>174,988</u>   | <u>(155,473)</u>                             | <u>(46,526)</u>   |
| <b>Amount available for appropriation</b>        | <u>352,584</u>               | <u>197,111</u>   | <u>(155,473)</u>                             | <u>(46,526)</u>   |
| Charges to appropriations (outflows)             |                              |                  |  |                   |
| Safety and operations                            |                              |                  |  |                   |
| Expense and equipment                            | 2,584                        | 2,584            | ---  | ---               |
| Program  | <u>350,000</u>               | <u>124,366</u>   | <u>225,634</u>                               | <u>44,220</u>     |
| <b>Total charges to appropriations</b>           | <u>352,584</u>               | <u>126,950</u>   | <u>225,634</u>                               | <u>44,220</u>     |
| <b>Budgetary fund balance, end of year</b>       | \$ <u>---</u>                | \$ <u>70,161</u> | \$ <u>70,161</u>                             | \$ <u>(2,306)</u> |

The following reconciliation is the difference between the state's budgetary basis and accounting principles generally accepted in the United States of America (GAAP) basis:

| Reconciliation to GAAP                      | Actual<br>2021   |
|---|------------------|
| <b>Budgetary fund balance, end of year</b>  | \$ 70,161        |
| Payables                                    | <u>---</u>       |
| <b>GAAP basis fund balance, end of year</b> | \$ <u>70,161</u> |

# Statistical Section

---





This page intentionally left blank

## Index and Overview Statistical Section

### **Financial Trends**

*These schedules are intended to assist in understanding and assessing the Department's financial performance over time.*

|   | <b><u>Page</u></b> |
|---|--------------------|
| Net Position – Government-wide                | 123                |
| Changes in Net Position – Government-wide     | 124                |
| Changes in Fund Balances – Governmental Funds | 126                |
| Fund Balances – Governmental Funds            | 128                |
| Expenditures of Federal Awards                | 129                |

### **Revenue Capacity**

*These schedules are intended to assist in understanding and assessing the factors affecting Missouri's fuel tax, the Department's largest source of state income.*

|  |     |
|--|-----|
| Revenue Base – State Motor Fuel Taxes                | 130 |
| Revenue Rates – State Motor Fuel Taxes               | 131 |
| Principal Revenue Suppliers – State Motor Fuel Taxes | 132 |

### **Debt Capacity**

*These schedules are intended to assist in understanding and assessing the Department's current burden and the Department's ability to issue additional debt in the future.*

|   |     |
|---|-----|
| Ratios of Outstanding Debt                        | 134 |
| Pledged Revenue Coverage Related to Revenue Bonds | 136 |

### **Demographic and Economic Information**

*These schedules are intended to assist in understanding the environment in which the Department's financial activities take place.*

|   |     |
|---|-----|
| Population, Personal Income and Unemployment Rate | 138 |
| Employment Sectors                                | 139 |
| Gross Domestic Product by Industry                | 140 |
| Licensed Drivers with Population Data             | 141 |
| Vehicle Registrations with Fuel Tax Receipts      | 142 |

### **Operating Information**

*These schedules are intended to provide information about the Department's services and infrastructure.*

|  |     |
|--|-----|
| Demand and Level of Service Indicators | 143 |
| Capital Asset Indicators               | 146 |
| Employee Full-Time Equivalents (FTE)   | 148 |

#### *Sources:*

Unless otherwise stated, information in the following tables is derived from the Missouri Department of Transportation (MoDOT) annual financial reports for the years shown.

#### *Note:*

The objective of this statistical section is to provide users with historical perspective by presenting information for multiple years. Schedules originate with the year that the Department began tracking the information, the tracking process or data collection system changed, or it became administratively feasible to report retroactively.



This page intentionally left blank

## Financial Trends

### Net Position – Government-wide

Years Ended June 30

(Amounts in Thousands)

| <u>Year</u> | <u>Net Investment<br/>in Capital Assets</u> | <u>Restricted</u> | <u>Unrestricted</u> | <u>Total</u> |
|-------------|---|-------------------|---------------------|--------------|
| 2021        | \$30,081,128                                | \$ 300            | \$(211,708)         | \$29,869,720 |
| 2020        | 29,429,629                                  | 300               | (540,436)           | 28,889,493   |
| 2019        | 29,025,481                                  | 300               | (833,571)           | 28,192,210   |
| 2018        | 28,532,242                                  | 300               | (854,851)           | 27,677,691   |
| 2017        | 28,001,891                                  | 300               | (489,615)           | 27,512,576   |
| 2016        | 27,470,765                                  | 300               | (424,498)           | 27,046,567   |
| 2015        | 27,079,459                                  | 300               | (475,196)           | 26,604,563   |
| 2014        | 26,636,056                                  | 782,346           | ---                 | 27,418,402   |
| 2013        | 26,077,114                                  | 875,904           | ---                 | 26,953,018   |
| 2012        | 25,383,369                                  | 1,027,111         | ---                 | 26,410,480   |

*Notes:*

Amounts for fiscal years 2012, 2013 and 2014 were restated due to the implementation of GASB 65, *Items Previously Reported as Assets and Liabilities*, and to correct errors related to infrastructure in progress, infrastructure and infrastructure depreciation.

Amounts for 2015 include restatement of beginning balances due to the implementation of GASB 68, *Accounting and Financial Reporting for Pensions*, and to correct errors related to infrastructure in progress, infrastructure and infrastructure depreciation.

Amounts for fiscal years 2015, 2016, 2017 and 2018 were restated to correct errors related to infrastructure in progress, infrastructure and depreciation.

Amounts for fiscal year 2018 beginning balances were restated due to the implementation of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Amounts for fiscal year 2019 were restated due to the implementation of GASB 84, *Fiduciary Activities*.

Amounts for fiscal year 2020 were restated for prior period adjustments.

## Financial Trends

### Changes in Net Position – Government-wide

Years Ended June 30

(Amounts in Thousands)

|  | <u>2021</u>               | <u>2020</u>               | <u>2019</u>               | <u>2018</u>               |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Transportation Program Expenses</b>       |                           |                           |                           |                           |
| Administration                               | \$ 1,233                  | \$ 11,241                 | \$ 14,133                 | \$ 8,890                  |
| Fleet, facilities and information systems    | 33,026                    | 31,036                    | 33,329                    | 30,820                    |
| Safety and operations                        | 339,587                   | 360,106                   | 356,189                   | 362,107                   |
| Program delivery                             | 176,679                   | 184,358                   | 196,633                   | 229,248                   |
| Multimodal operations                        | 95,340                    | 85,832                    | 92,945                    | 86,224                    |
| Interest                                     | 62,545                    | 66,973                    | 75,581                    | 82,922                    |
| Other state agencies                         | 187,985                   | 212,480                   | 228,881                   | 224,811                   |
| Self insurance                               | 28,141                    | 13,155                    | 12,456                    | 21,315                    |
| Medical and life insurance                   | 149,675                   | 140,749                   | 134,871                   | 143,637                   |
| Pension obligations                          | 128,335                   | 107,973                   | 85,991                    | 76,746                    |
| Other postemployment benefit obligations     | 35,597                    | 19,104                    | 28,669                    | 38,289                    |
| Depreciation                                 | <u>592,143</u>            | <u>568,021</u>            | <u>545,753</u>            | <u>520,620</u>            |
| <b>Total transportation program expenses</b> | <b><u>1,830,286</u></b>   | <b><u>1,801,028</u></b>   | <b><u>1,805,431</u></b>   | <b><u>1,825,629</u></b>   |
| <b>Transportation Program Revenues</b>       |                           |                           |                           |                           |
| Charges for services                         |                           |                           |                           |                           |
| Licenses, fees and permits                   | 345,691                   | 322,385                   | 324,714                   | 314,074                   |
| Member insurance premiums                    | 58,837                    | 47,366                    | 47,665                    | 47,072                    |
| Other  | <u>47,263</u>             | <u>100,453</u>            | <u>61,638</u>             | <u>87,171</u>             |
| Total charges for services                   | 451,791                   | 470,204                   | 434,017                   | 448,317                   |
| Federal government                           |                           |                           |                           |                           |
| American Recovery and Reinvestment Act       | 11,860                    | 12,142                    | 12,379                    | 12,617                    |
| Operating                                    | 91,643                    | 73,685                    | 80,079                    | 69,465                    |
| Capital                                      | <u>1,253,031</u>          | <u>973,625</u>            | <u>873,877</u>            | <u>949,145</u>            |
| Total federal government                     | <u>1,356,534</u>          | <u>1,059,452</u>          | <u>966,335</u>            | <u>1,031,227</u>          |
| <b>Total transportation program revenues</b> | <b><u>1,808,325</u></b>   | <b><u>1,529,656</u></b>   | <b><u>1,400,352</u></b>   | <b><u>1,479,544</u></b>   |
| <b>Net expense of transportation program</b> | <b><u>(21,961)</u></b>    | <b><u>(271,372)</u></b>   | <b><u>(405,079)</u></b>   | <b><u>(346,085)</u></b>   |
| <b>General Revenues</b>                      |                           |                           |                           |                           |
| Fuel taxes                                   | 504,371                   | 497,662                   | 512,454                   | 521,273                   |
| Sales and use taxes                          | 443,561                   | 376,818                   | 363,664                   | 378,765                   |
| Unrestricted investment earnings             | 800                       | 25,787                    | 30,468                    | 8,662                     |
| State appropriations                         | 57,914                    | 67,116                    | 19,494                    | 13,912                    |
| Gain (loss) on sale of capital assets        | <u>(4,457)</u>            | <u>1,272</u>              | <u>(14,519)</u>           | <u>(11,675)</u>           |
| <b>Total general revenues</b>                | <b><u>1,002,189</u></b>   | <b><u>968,655</u></b>     | <b><u>911,561</u></b>     | <b><u>910,937</u></b>     |
| <b>Changes in Net Position</b>               | <b><u>\$ _980,228</u></b> | <b><u>\$ _697,283</u></b> | <b><u>\$ _506,482</u></b> | <b><u>\$ _564,852</u></b> |

Notes:

Government-wide financial statements are prepared on a full accrual basis and include transactions related to capital assets and long-term obligations. These statements also include the effects of eliminating off-setting revenues and expenses related to the Department's internal service funds.

Amounts for fiscal years 2012, 2013 and 2014 were restated due to the implementation of GASB 65, *Items Previously Reported as Assets and Liabilities*, and to correct errors related to infrastructure in progress, infrastructure and infrastructure depreciation.

Amounts for 2015, 2017 and 2018 include restatements to correct errors related to infrastructure in progress, infrastructure and infrastructure depreciation.

Amounts for fiscal year 2018 beginning balances were restated due to the implementation of GASB 75, *Accounting and Financial Reporting For Postemployment Benefits Other Than Pensions*.

Amounts for fiscal year 2019 were restated due to the implementation of GASB 84, *Fiduciary Activities*.

Amounts for fiscal year 2020 were restated for prior period adjustments.

| <u>2017</u>       | <u>2016</u>       | <u>2015</u>       | <u>2014</u>       | <u>2013</u>       | <u>2012</u>       |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ 24,255         | \$ 25,374         | \$ 24,672         | \$ 32,791         | \$ 32,244         | \$ 30,040         |
| 28,961            | 18,088            | 29,865            | 32,790            | 34,905            | 37,268            |
| 345,807           | 328,987           | 329,098           | 420,000           | 398,274           | 389,803           |
| 210,252           | 258,846           | 274,462           | 194,552           | 222,767           | 321,048           |
| 100,952           | 93,500            | 84,259            | 89,148            | 89,184            | 68,282            |
| 93,643            | 104,190           | 112,690           | 129,873           | 136,493           | 140,710           |
| 234,614           | 225,148           | 226,370           | 208,610           | 199,660           | 214,696           |
| 9,671             | 21,604            | 21,376            | 19,407            | 15,336            | 13,894            |
| 123,668           | 111,561           | 106,453           | 97,483            | 94,695            | 97,137            |
| 87,675            | 78,196            | 91,858            | ---               | ---               | ---               |
| 43,615            | 44,005            | 50,179            | 50,586            | 75,152            | 75,896            |
| <u>498,595</u>    | <u>474,320</u>    | <u>454,219</u>    | <u>442,734</u>    | <u>413,382</u>    | <u>323,238</u>    |
| <u>1,801,708</u>  | <u>1,783,819</u>  | <u>1,805,501</u>  | <u>1,717,974</u>  | <u>1,712,092</u>  | <u>1,712,012</u>  |
| 304,982           | 310,073           | 290,319           | 290,153           | 283,022           | 284,677           |
| 44,803            | 41,989            | 39,870            | 38,169            | 37,328            | 35,636            |
| <u>74,825</u>     | <u>68,200</u>     | <u>55,454</u>     | <u>85,389</u>     | <u>108,043</u>    | <u>131,371</u>    |
| 424,610           | 420,262           | 385,643           | 413,711           | 428,393           | 451,684           |
| 19,450            | 18,160            | 14,628            | 28,765            | 49,912            | 99,266            |
| 78,484            | 77,468            | 82,521            | 87,531            | 87,689            | 73,930            |
| <u>847,191</u>    | <u>826,329</u>    | <u>763,952</u>    | <u>839,912</u>    | <u>892,031</u>    | <u>860,754</u>    |
| <u>945,125</u>    | <u>921,957</u>    | <u>861,101</u>    | <u>956,208</u>    | <u>1,029,632</u>  | <u>1,033,950</u>  |
| <u>1,369,735</u>  | <u>1,342,219</u>  | <u>1,246,744</u>  | <u>1,369,919</u>  | <u>1,458,025</u>  | <u>1,485,634</u>  |
| <u>(431,973)</u>  | <u>(441,600)</u>  | <u>(558,757)</u>  | <u>(348,055)</u>  | <u>(254,067)</u>  | <u>(226,378)</u>  |
| 512,713           | 517,366           | 493,076           | 489,984           | 486,529           | 496,608           |
| 363,279           | 350,372           | 335,420           | 311,761           | 304,163           | 291,279           |
| 3,854             | 9,101             | 10,569            | 13,755            | (1,157)           | 13,309            |
| 22,136            | 14,216            | 15,010            | 14,347            | 11,630            | 11,130            |
| <u>(13,028)</u>   | <u>(7,451)</u>    | <u>(15,212)</u>   | <u>(16,408)</u>   | <u>(4,560)</u>    | <u>(3,223)</u>    |
| <u>888,954</u>    | <u>883,604</u>    | <u>838,863</u>    | <u>813,439</u>    | <u>796,605</u>    | <u>809,103</u>    |
| <u>\$ 456,981</u> | <u>\$ 442,004</u> | <u>\$ 280,106</u> | <u>\$ 465,384</u> | <u>\$ 542,538</u> | <u>\$ 582,725</u> |

## Financial Trends

### Changes in Fund Balances – Governmental Funds

Years Ended June 30

(Amounts in Thousands)

|  | <u>2021</u>       | <u>2020</u>       | <u>2019</u>        | <u>2018</u>      |
|--|-------------------|-------------------|--------------------|------------------|
| <b>Revenues</b>  |                   |                   |                    |                  |
| Fuel taxes   | \$ 504,371        | \$ 497,661        | \$ 512,454         | \$ 521,273       |
| Sales and use taxes  | 443,561           | 376,818           | 363,664            | 378,765          |
| Licenses, fees and permits                                     | 345,870           | 322,245           | 324,714            | 314,073          |
| Intergovernmental/cost reimbursements/miscellaneous            | 49,789            | 96,374            | 53,711             | 77,023           |
| Investment earnings  | 488               | 20,422            | 24,220             | 8,553            |
| American Recovery and Reinvestment Act                         | 11,860            | 12,142            | 12,379             | 12,617           |
| State government   | 57,914            | 67,116            | 19,494             | 13,912           |
| Federal government   | <u>1,345,412</u>  | <u>1,045,115</u>  | <u>959,101</u>     | <u>1,019,594</u> |
| <b>Total revenues</b>  | <u>2,759,265</u>  | <u>2,437,893</u>  | <u>2,269,737</u>   | <u>2,345,810</u> |
| <b>Expenditures</b>  |                   |                   |                    |                  |
| Administration   | 49,571            | 57,742            | 61,251             | 55,773           |
| Fleet, facilities and information systems                      | 42,638            | 40,578            | 43,428             | 40,278           |
| Safety and operations  | 448,624           | 478,519           | 470,912            | 474,914          |
| Program delivery   | 231,324           | 240,407           | 254,929            | 283,592          |
| Multimodal operations  | 96,584            | 87,018            | 94,183             | 87,452           |
| Capital outlay   | 1,019,631         | 1,003,221         | 835,059            | 854,871          |
| Debt service - principal                                       | 215,475           | 169,244           | 209,355            | 200,237          |
| Debt service - interest  | 85,485            | 82,414            | 92,870             | 102,274          |
| Other state agencies   | <u>219,126</u>    | <u>243,641</u>    | <u>260,140</u>     | <u>255,141</u>   |
| <b>Total expenditures</b>                                      | <u>2,408,458</u>  | <u>2,402,784</u>  | <u>2,322,127</u>   | <u>2,354,532</u> |
| <b>Excess of revenues over (under) expenditures</b>            | 350,807           | 35,109            | (52,390)           | (8,722)          |
| <b>Other Financing Sources (Uses)</b>                          |                   |                   |                    |                  |
| Notes issued   | 136               | ---               | ---                | ---              |
| Bonds issued   | ---               | 178,370           | ---                | ---              |
| Refunding bonds issued   | ---               | ---               | 102,705            | ---              |
| Refunding bonds escrow payment                                 | ---               | 23,143            | (111,483)          | ---              |
| Premium on bonds   | ---               | ---               | 9,148              | ---              |
| Capital leases issued  | ---               | ---               | ---                | ---              |
| Capital asset sales  | 4,397             | 18,705            | 5,307              | 9,089            |
| Transfers in   | 525,674           | 532,562           | 487,872            | 461,293          |
| Transfers out  | <u>(525,674)</u>  | <u>(532,562)</u>  | <u>(487,872)</u>   | <u>(461,293)</u> |
| <b>Total other financing sources (uses)</b>                    | <u>4,533</u>      | <u>220,218</u>    | <u>5,677</u>       | <u>9,089</u>     |
| <b>Net Changes in Fund Balances</b>                            | <u>\$ 355,340</u> | <u>\$ 255,327</u> | <u>\$ (46,713)</u> | <u>\$ 367</u>    |
| <b>Debt service as a percentage of noncapital expenditures</b> |                   |                   |                    |                  |
|  | 22%               | 18%               | 20%                | 20%              |
| <b>Debt service as a percentage of total revenues</b>          |                   |                   |                    |                  |
|  | 11%               | 10%               | 13%                | 13%              |

*Notes:*

Governmental fund financial statements are prepared on a modified accrual basis to report changes in net current financial resources. These statements differ from cash-based budget reports primarily because revenues are recognized if they are collected within 60 days of the end of the fiscal year and expenditures are recorded when the related liability is incurred, except that certain long-term obligations are recognized to the extent they have matured.

Amounts for 2015 include restatements of capital outlay and construction expenses related to adjustments made to infrastructure.

Amounts for fiscal year 2019 were restated due to the implementation of GASB 84, *Fiduciary Activities*.

Amounts for fiscal year 2020 were restated for prior period adjustments

| <u>2017</u>         | <u>2016</u>      | <u>2015</u>         | <u>2014</u>        | <u>2013</u>        | <u>2012</u>         |
|---------------------|------------------|---------------------|--------------------|--------------------|---------------------|
| \$ 512,714          | \$ 517,366       | \$ 493,076          | \$ 489,984         | \$ 486,529         | \$ 496,608          |
| 363,279             | 350,372          | 335,420             | 311,761            | 304,163            | 291,279             |
| 305,001             | 310,073          | 290,319             | 290,158            | 283,022            | 284,614             |
| 63,372              | 67,565           | 51,017              | 84,753             | 138,732            | 138,629             |
| 3,565               | 6,359            | 8,655               | 11,679             | (1,149)            | 11,011              |
| 19,449              | 18,160           | 14,758              | 28,635             | 49,912             | 99,265              |
| 22,136              | 14,216           | 15,010              | 14,346             | 11,630             | 11,131              |
| <u>923,970</u>      | <u>907,421</u>   | <u>841,855</u>      | <u>926,170</u>     | <u>985,071</u>     | <u>928,718</u>      |
| <u>2,213,486</u>    | <u>2,191,532</u> | <u>2,050,110</u>    | <u>2,157,486</u>   | <u>2,257,910</u>   | <u>2,261,255</u>    |
| 50,824              | 51,365           | 50,713              | 48,547             | 46,936             | 46,636              |
| 38,272              | 38,744           | 38,980              | 35,904             | 38,058             | 41,133              |
| 456,464             | 435,964          | 434,328             | 450,577            | 454,740            | 440,357             |
| 278,781             | 296,946          | 327,776             | 216,563            | 241,931            | 354,259             |
| 102,144             | 94,647           | 85,363              | 89,332             | 89,404             | 68,481              |
| 711,180             | 690,878          | 714,888             | 849,897            | 956,489            | 1,112,769           |
| 308,650             | 175,103          | 188,913             | 178,903            | 165,332            | 143,582             |
| 117,312             | 125,274          | 128,536             | 148,936            | 150,721            | 155,534             |
| <u>262,666</u>      | <u>251,143</u>   | <u>251,408</u>      | <u>233,470</u>     | <u>226,683</u>     | <u>240,086</u>      |
| <u>2,326,293</u>    | <u>2,160,064</u> | <u>2,220,905</u>    | <u>2,252,129</u>   | <u>2,370,294</u>   | <u>2,602,837</u>    |
| (112,807)           | 31,468           | (170,795)           | (94,643)           | (112,384)          | (341,582)           |
| ---                 | ---              | 3,619               | 13,240             | 9,493              | 9,097               |
| ---                 | ---              | ---                 | ---                | ---                | ---                 |
| ---                 | ---              | ---                 | 900,990            | ---                | ---                 |
| ---                 | ---              | ---                 | (1,082,245)        | ---                | ---                 |
| ---                 | ---              | ---                 | 185,693            | ---                | ---                 |
| 17                  | 114              | 18                  | (2,044)            | 116                | 12                  |
| 5,442               | 11,889           | 5,422               | 7,488              | 13,301             | 10,591              |
| 459,141             | 460,974          | 460,003             | 476,745            | 511,732            | 496,854             |
| <u>(459,141)</u>    | <u>(460,974)</u> | <u>(460,003)</u>    | <u>(476,745)</u>   | <u>(511,732)</u>   | <u>(496,854)</u>    |
| <u>5,459</u>        | <u>12,003</u>    | <u>9,059</u>        | <u>23,122</u>      | <u>22,910</u>      | <u>19,700</u>       |
| \$ <u>(107,348)</u> | \$ <u>43,471</u> | \$ <u>(161,736)</u> | \$ <u>(71,521)</u> | \$ <u>(89,474)</u> | \$ <u>(321,882)</u> |
| 26%                 | 20%              | 21%                 | 23%                | 22%                | 20%                 |
| 19%                 | 14%              | 15%                 | 15%                | 14%                | 13%                 |



## Financial Trends

### Fund Balances – Governmental Funds

Years Ended June 30

(Amounts in Thousands)

| <u>Year</u> | <u>Nonspendable -<br/>Inventories</u> | <u>Restricted -<br/>Highways and<br/>Transportation</u> | <u>Unassigned</u> | <u>Total</u> |
|-------------|---------------------------------------|---|-------------------|--------------|
| 2021        | \$41,855                              | \$1,437,257   | \$(1,511)         | \$1,477,601  |
| 2020        | 36,172                                | 1,087,154   | (1,064)           | 1,122,262    |
| 2019        | 32,866                                | 834,747   | (678)             | 866,935      |
| 2018        | 33,738                                | 872,201   | (328)             | 905,611      |
| 2017        | 38,790                                | 866,455   | ---               | 905,245      |
| 2016        | 39,614                                | 972,979   | ---               | 1,012,593    |
| 2015        | 37,574                                | 931,548   | ---               | 969,122      |
| 2014        | 29,135                                | 1,103,299   | (1,576)           | 1,130,858    |
| 2013        | 34,841                                | 1,167,773   | (234)             | 1,202,380    |
| 2012        | 45,790                                | 1,248,963   | (2,899)           | 1,291,854    |

*Notes:*

Amounts for fiscal year 2019 were restated due to the implementation of GASB 84, *Fiduciary Activities*.

Amounts for fiscal year 2020 were restated for prior period adjustments.

## Financial Trends

### Expenditures of Federal Awards

Years Ended June 30

(Amounts in Thousands)

| <u>Year</u> | <u>Roads<br/>and Bridges</u> | <u>Multimodal</u> | <u>Motor Carriers</u> | <u>Highway Safety</u> | <u>Total</u> |
|-------------|------------------------------|-------------------|-----------------------|-----------------------|--------------|
| 2020        | \$ 971,961                   | \$54,943          | \$5,055               | \$ 16,221             | \$ 1,048,180 |
| 2019        | 871,910                      | 58,154            | 4,226                 | 15,740                | 950,030      |
| 2018        | 946,350                      | 59,464            | 4,688                 | 13,713                | 1,024,215    |
| 2017        | 844,971                      | 61,564            | 4,627                 | 16,782                | 927,944      |
| 2016        | 823,800                      | 63,301            | 4,157                 | 17,170                | 908,428      |
| 2015        | 761,537                      | 56,670            | 3,828                 | 35,039                | 857,074      |
| 2014        | 843,571                      | 65,095            | 3,374                 | 31,199                | 943,239      |
| 2013        | 912,736                      | 61,776            | 3,225                 | 40,381                | 1,018,118    |
| 2012        | 940,436                      | 44,769            | 2,838                 | 24,523                | 1,012,566    |
| 2011        | 1,459,615                    | 43,409            | 1,576                 | 18,517                | 1,523,117    |

Source:

MoDOT Schedule of Expenditures of Federal Awards prepared for inclusion in the State Auditor's single audit report for the state of Missouri

Notes:

Expenditures include State Emergency Management Agency amounts.

Fiscal year 2021 data is not yet available.

## Revenue Capacity Revenue Base – State Motor Fuel Taxes

Years Ended June 30

(Amounts in Thousands)

| <u>Year</u> | <u>Gallons</u> | <u>Net<br/>State<br/>Receipts</u> | <u>Distribution</u> |                 |              |
|-------------|----------------|-----------------------------------|---------------------|-----------------|--------------|
|             |                |                                   | <u>Cities</u>       | <u>Counties</u> | <u>MoDOT</u> |
| 2021        | 3,975,135      | \$673,206                         | \$101,456           | \$ 79,577       | \$492,173    |
| 2020        | 4,078,058      | 692,372                           | 104,067             | 81,617          | 506,688      |
| 2019        | 4,161,176      | 706,383                           | 106,010             | 83,142          | 517,231      |
| 2018        | 4,145,912      | 705,833                           | 105,364             | 82,637          | 517,832      |
| 2017        | 4,129,221      | 699,355                           | 105,590             | 82,815          | 510,950      |
| 2016        | 4,107,558      | 697,580                           | 104,130             | 81,663          | 511,787      |
| 2015        | 4,009,046      | 680,045                           | 103,909             | 81,487          | 494,649      |
| 2014        | 3,925,826      | 667,361                           | 100,077             | 78,484          | 488,800      |
| 2013        | 3,919,121      | 666,106                           | 99,433              | 77,980          | 488,693      |
| 2012        | 3,976,007      | 676,601                           | 100,994             | 79,206          | 496,401      |

Source:

MoDOT Financial Services Division

Notes:

Amounts are provided on a cash basis.

Dollar amounts are shown net of motor fuel tax refunds.

# Revenue Capacity

## Revenue Rates – State Motor Fuel Taxes

Years Ended June 30

(Cents per Gallon)

| <u>Year</u> | <u>Total Fuel Tax Rate</u> | <u>Local Governments</u> | <u>MoDOT</u> |
|-------------|----------------------------|--------------------------|--------------|
| 2021        | 17.00                      | 4.55                     | 12.45        |
| 2020        | 17.00                      | 4.55                     | 12.45        |
| 2019        | 17.00                      | 4.55                     | 12.45        |
| 2018        | 17.00                      | 4.55                     | 12.45        |
| 2017        | 17.00                      | 4.55                     | 12.45        |
| 2016        | 17.00                      | 4.55                     | 12.45        |
| 2015        | 17.00                      | 4.55                     | 12.45        |
| 2014        | 17.00                      | 4.55                     | 12.45        |
| 2013        | 17.00                      | 4.55                     | 12.45        |
| 2012        | 17.00                      | 4.55                     | 12.45        |

Source:

MoDOT Financial Services Division

Note:

Motor fuel tax rates are established by Chapter 142, RSMo. Increases in these rates require a statutory change.

## Revenue Capacity Principal Revenue Suppliers – State Motor Fuel Taxes

Year Ended June 30

(Amounts in Thousands)

|                                    | <u>2021</u> | <u>2012</u> |
|------------------------------------|-------------|-------------|
| Gallons from top ten suppliers     | 3,425,026   | 3,403,282   |
| Net revenue from top ten suppliers | \$ 582,254  | \$ 578,558  |
| Net revenue from all suppliers     | \$ 673,206  | \$ 676,601  |
| Percentage from top ten suppliers  | 86%         | 86%         |

*Sources:*

Net revenue from top ten suppliers: Missouri Department of Revenue

Net revenue from all suppliers: MoDOT Financial Services Division

Remainder of information is extrapolated

*Notes:*

Top ten supplier information is released by the Department of Revenue only in the aggregate. Information on individual suppliers is not available. There are 110 total suppliers.



This page intentionally left blank

## Debt Capacity Ratios of Outstanding Debt

Years Ended June 30

(Amounts in Thousands Except Per Capita)

| <u>Debt Outstanding at June 30</u> |                   |                     |                       |              |
|------------------------------------|-------------------|---------------------|-----------------------|--------------|
| <u>Year</u>                        | <u>Road Bonds</u> | <u>Notes Issued</u> | <u>Capital Leases</u> | <u>Total</u> |
| 2021                               | \$1,408,715       | \$ 136              | \$ 0                  | \$1,408,851  |
| 2020                               | 1,624,190         | 0                   | 0                     | 1,624,190    |
| 2019                               | 1,614,420         | 644                 | 1                     | 1,615,065    |
| 2018                               | 1,832,370         | 644                 | 37                    | 1,833,051    |
| 2017                               | 2,032,555         | 644                 | 89                    | 2,033,288    |
| 2016                               | 2,341,150         | 644                 | 127                   | 2,341,921    |
| 2015                               | 2,509,620         | 7,230               | 60                    | 2,516,910    |
| 2014                               | 2,679,170         | 22,923              | 93                    | 2,702,186    |
| 2013                               | 2,918,000         | 26,404              | 2,269                 | 2,946,673    |
| 2012                               | 3,071,525         | 28,405              | 2,466                 | 3,102,396    |

*Sources:*

Personal Income: United States Department of Commerce, Bureau of Economic Analysis

Population: United States Department of Commerce, Census Bureau

*Notes:*

Personal income and population are reported on a calendar year basis within the applicable fiscal year.

Amounts for fiscal year 2020 were restated for prior period adjustments.

---

| <u>Ratio of Debt to Income</u> |                                      | <u>Ratio of Debt to Population</u> |                   |
|--------------------------------|--------------------------------------|------------------------------------|-------------------|
| <u>Personal Income</u>         | <u>Percentage of Personal Income</u> | <u>Population</u>                  | <u>Per Capita</u> |
| \$312,530,400                  | 0.45%                                | 6,152                              | \$229             |
| 308,154,100                    | 0.53                                 | 6,137                              | 265               |
| 289,111,800                    | 0.56                                 | 6,126                              | 264               |
| 269,859,000                    | 0.68                                 | 6,114                              | 300               |
| 268,379,000                    | 0.76                                 | 6,093                              | 334               |
| 263,751,000                    | 0.89                                 | 6,084                              | 385               |
| 255,748,000                    | 0.98                                 | 6,064                              | 415               |
| 238,095,000                    | 1.13                                 | 6,044                              | 447               |
| 223,049,000                    | 1.32                                 | 6,022                              | 490               |
| 229,986,000                    | 1.35                                 | 6,011                              | 516               |



## Debt Capacity Pledged Revenue Coverage Related to Revenue Bonds

Years Ended June 30

(Amounts in Thousands Except Coverage)

| Year | Senior Bond Revenues (1) | Operating Expenses (2) | Senior Net Pledged Revenues Available | Senior Lien Bonds |          |          |
|------|--------------------------|------------------------|---------------------------------------|-------------------|----------|----------|
|      |                          |                        |                                       | Principal         | Interest | Coverage |
| 2021 | \$1,089,034              | \$345,925              | \$743,109                             | \$16,020          | \$ 2,519 | 40.08    |
| 2020 | 979,849                  | 395,582                | 584,267                               | 15,270            | 3,288    | 31.48    |
| 2019 | 997,222                  | 389,546                | 607,676                               | 61,200            | 6,347    | 9.00     |
| 2018 | 994,132                  | 383,969                | 610,162                               | 58,455            | 9,270    | 9.01     |
| 2017 | 973,349                  | 388,116                | 585,233                               | 54,545            | 16,534   | 8.23     |
| 2016 | 968,300                  | 372,800                | 595,500                               | 51,965            | 19,090   | 8.38     |
| 2015 | 934,340                  | 373,739                | 560,601                               | 50,395            | 21,555   | 7.79     |
| 2014 | 914,514                  | 348,537                | 565,977                               | 47,815            | 23,877   | 7.89     |
| 2013 | 937,165                  | 333,327                | 603,838                               | 44,255            | 25,467   | 8.66     |
| 2012 | 935,399                  | 342,240                | 593,159                               | 31,790            | 26,868   | 10.11    |

| Year | Federal Reimbursement Revenues (5) | Expenses | Federal Reimbursement Bonds Net Pledged Revenues | Federal Reimbursement |              |          |
|------|------------------------------------|----------|--|-----------------------|--------------|----------|
|      |                                    |          |  | Principal             | Interest (6) | Coverage |
| 2021 | \$1,150,479                        | \$ ---   | \$1,150,479                                      | \$44,020              | \$21,114     | 17.66    |
| 2020 | 862,489                            | ---      | 862,489  | 42,340                | 22,436       | 13.31    |
| 2019 | 780,220                            | ---      | 780,220  | 42,235                | 24,849       | 11.63    |
| 2018 | 823,757                            | ---      | 823,757  | 40,470                | 26,663       | 12.27    |
| 2017 | 699,433                            | ---      | 699,433  | 38,795                | 28,374       | 10.41    |
| 2016 | 692,366                            | ---      | 692,366  | 37,325                | 29,840       | 10.31    |
| 2015 | 624,417                            | ---      | 624,417  | 36,000                | 31,203       | 9.29     |
| 2014 | 708,726                            | ---      | 708,726  | 34,825                | 32,453       | 10.53    |
| 2013 | 771,710                            | ---      | 771,710  | 33,450                | 33,161       | 11.59    |
| 2012 | 719,532                            | ---      | 719,532  | 32,725                | 33,889       | 10.80    |

Source:  
MoDOT Financial Services Division

Notes:

(1) Senior Bond Revenues consist of various percentages of the state motor fuel tax, sales and use taxes and motor vehicle fees, as set by the state's constitution and statutes. Revenues are reported net of refunds and exclude sales tax revenue deposited into the State Road Bond Fund.

(2) Operating Expenses consist of retirement benefit costs, the cost of enforcement of motor vehicle laws and the cost of collection of taxes and fees. The cost of collection reflects actual expenditures and does not reflect any Missouri Department of Revenue refunds associated with spending over the three percent cap during previous years.

(3) First, Second, Third Lien Revenues consist of sales taxes deposited into the State Road Bond Fund and appropriations of General Revenue for repayment of bonds.

(4) First, Second, Third Lien Net Pledged Revenues consist of excess Senior Net Pledged Revenues and sales tax deposited into the State Road Bond Fund.

(5) Federal Reimbursement Revenues exclude American Recovery and Reinvestment Act revenue and amounts passed through to other political entities. For debt service coverage calculation purposes, excess First, Second, Third Lien Net Revenues are not included.

(6) Federal reimbursement interest is reported net of federal subsidies associated with Build America Bonds.

| First,<br>Second,<br>Third Lien<br>Revenues (3) | First,<br>Second,<br>Third Lien<br>Net Pledged<br>Revenues (4) | First Lien |          |          | Second Lien |          |          | Third Lien |          |          |
|---|--|------------|----------|----------|-------------|----------|----------|------------|----------|----------|
|   |  | Principal  | Interest | Coverage | Principal   | Interest | Coverage | Principal  | Interest | Coverage |
| \$224,111                                       | \$948,681  | \$49,465   | \$25,290 | 12.69    | \$50,545    | \$ 5,776 | 7.24     | \$55,425   | \$21,268 | 4.57     |
| 179,845   | 745,554  | 21,860     | 26,363   | 15.46    | 68,350      | 9,164    | 5.93     | 20,780     | 12,636   | 4.81     |
| 178,003   | 718,133  | 20,985     | 27,335   | 14.86    | 64,755      | 12,393   | 5.72     | 20,180     | 9,108    | 4.64     |
| 182,763   | 725,200  | 19,955     | 28,314   | 15.02    | 61,700      | 15,461   | 5.78     | 19,605     | 9,715    | 4.69     |
| 179,788   | 693,943  | 18,810     | 29,009   | 14.51    | 59,550      | 19,721   | 5.46     | 19,070     | 10,279   | 4.44     |
| 170,460   | 694,905  | 22,520     | 30,039   | 13.22    | 56,660      | 22,507   | 5.28     | ---        | 10,276   | 4.89     |
| 162,858   | 651,509  | 53,940     | 30,044   | 7.76     | 13,555      | 21,768   | 5.46     | 15,660     | 10,308   | 4.48     |
| 149,793   | 644,078  | 52,330     | 38,643   | 7.08     | 12,055      | 25,316   | 5.02     | 15,025     | 10,352   | 4.19     |
| 113,443   | 647,559  | 50,805     | 41,111   | 7.05     | 10,605      | 25,798   | 5.05     | 14,410     | 9,974    | 4.24     |
| 106,451   | 640,952  | 49,385     | 43,432   | 6.91     | 5,465       | 26,024   | 5.16     | 13,825     | 9,989    | 4.33     |

## Demographic and Economic Information Population, Personal Income and Unemployment Rate

Years Ended December 31

(Amounts in Thousands)

| <u>Year</u> | <u>Population</u> | <u>Personal<br/>Income</u> | <u>Per Capita<br/>Personal<br/>Income</u> | <u>Unemployment<br/>Rate</u> |
|-------------|-------------------|----------------------------|---|------------------------------|
| 2020        | 6,152             | \$312,530,400              | \$51                                      | 5.0%                         |
| 2019        | 6,137             | 308,154,100                | 50  | 3.4                          |
| 2018        | 6,126             | 289,111,800                | 47  | 2.3                          |
| 2017        | 6,114             | 269,859,000                | 44  | 3.3                          |
| 2016        | 6,093             | 268,379,000                | 44  | 4.0                          |
| 2015        | 6,084             | 263,751,000                | 43  | 3.9                          |
| 2014        | 6,064             | 255,748,000                | 42  | 5.1                          |
| 2013        | 6,044             | 238,095,000                | 39  | 7.4                          |
| 2012        | 6,022             | 223,049,000                | 39  | 7.6                          |
| 2011        | 6,011             | 229,986,000                | 38  | 7.7                          |

*Sources:*

Population: United States Department of Commerce, Census Bureau

Personal Income, Per Capita Personal Income and Unemployment Rate: United States Department of Commerce, Bureau of Economic Analysis

## Demographic and Economic Information Employment Sectors

Years Ended December 31

(Amounts in Thousands)

|  | 2020             |             |                   | 2011             |             |                   |
|--|------------------|-------------|-------------------|------------------|-------------|-------------------|
|  | <u>Employees</u> | <u>Rank</u> | <u>Percentage</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage</u> |
| Trade, transportation and utilities        | 553              | 1           | 19%               | 519              | 1           | 20%               |
| Education and health services              | 485              | 2           | 17                | 410              | 2           | 15                |
| Government                                 | 430              | 3           | 15                | 455              | 3           | 17                |
| Professional and business services         | 369              | 4           | 13                | 323              | 4           | 12                |
| Manufacturing                              | 269              | 5           | 10                | 253              | 5           | 10                |
| Leisure and hospitality                    | 244              | 6           | 9                 | 260              | 6           | 10                |
| Financial activities                       | 176              | 7           | 6                 | 161              | 7           | 6                 |
| Construction, natural resources and mining | 129              | 8           | 5                 | 102              | 8           | 4                 |
| Other services                             | 111              | 9           | 4                 | 116              | 9           | 4                 |
| Information                                | <u>44</u>        | 10          | <u>2</u>          | <u>54</u>        | 10          | <u>2</u>          |
| <b>Total</b>                               | <u>2,810</u>     |             | <u>100%</u>       | <u>2,653</u>     |             | <u>100%</u>       |

Source:

United States Department of Commerce, Bureau of Economic Analysis

Note:

Information on employers is provided at the more general level of employment sectors, rather than the top ten specific employers of the state of Missouri. This data is more relevant to the mission of a transportation system.

## Demographic and Economic Information

### Gross Domestic Product by Industry

Years Ended December 31

(Amounts in Millions)

|  | 2020             |             |                   | 2011             |             |                   |
|--|------------------|-------------|-------------------|------------------|-------------|-------------------|
|  | <u>GDP</u>       | <u>Rank</u> | <u>Percentage</u> | <u>GDP</u>       | <u>Rank</u> | <u>Percentage</u> |
| Financial activities                       | \$ 50,567        | 1           | 19%               | \$ 63,464        | 1           | 20%               |
| Trade, transportation and utilities        | 45,007           | 2           | 17                | 56,857           | 2           | 18                |
| Government                                 | 32,836           | 3           | 13                | 38,999           | 4           | 12                |
| Professional and business services         | 31,348           | 4           | 12                | 43,424           | 3           | 13                |
| Manufacturing                              | 31,045           | 5           | 12                | 37,972           | 5           | 12                |
| Education and health services              | 25,860           | 6           | 10                | 34,072           | 6           | 11                |
| Information                                | 13,157           | 7           | 5                 | 11,628           | 8           | 4                 |
| Leisure and hospitality                    | 10,087           | 8           | 4                 | 11,033           | 9           | 3                 |
| Construction, natural resources and mining | 9,574            | 9           | 4                 | 13,692           | 7           | 4                 |
| Other services                             | 6,124            | 10          | 2                 | 7,383            | 10          | 2                 |
| Agriculture, forestry, fishing and hunting | <u>4,040</u>     | 11          | <u>2</u>          | <u>3,185</u>     | 11          | <u>1</u>          |
| <b>Total</b>                               | <u>\$259,645</u> |             | <u>100%</u>       | <u>\$321,709</u> |             | <u>100%</u>       |

Source:

United States Department of Commerce, Bureau of Economic Analysis

## Demographic and Economic Information Licensed Drivers with Population Data

Years Ended June 30

(Amounts in Thousands)

| <u>Year</u> | <u>Licensed Drivers</u> | <u>Change in<br/>Licensed Drivers</u> | <u>Population</u> | <u>Change in<br/>Population</u> |
|-------------|-------------------------|---------------------------------------|-------------------|---------------------------------|
| 2020        | 4,260                   | (14)                                  | 6,137             | 11                              |
| 2019        | 4,274                   | 1                                     | 6,126             | 12                              |
| 2018        | 4,273                   | (2)                                   | 6,114             | 21                              |
| 2017        | 4,275                   | 25                                    | 6,093             | 9                               |
| 2016        | 4,250                   | 37                                    | 6,084             | 20                              |
| 2015        | 4,213                   | (82)                                  | 6,064             | 20                              |
| 2014        | 4,295                   | 15                                    | 6,044             | 22                              |
| 2013        | 4,280                   | (8)                                   | 6,022             | 11                              |
| 2012        | 4,288                   | 11                                    | 6,011             | (1)                             |
| 2011        | 4,277                   | 31                                    | 6,012             | 24                              |

*Sources:*

Licensed Drivers: Missouri Department of Revenue for federal reporting

Population: United States Department of Commerce, Census Bureau

*Notes:*

Fiscal year 2021 licensed drivers' data is not yet available.

Population is reported on a calendar year basis within the applicable fiscal year.

## Demographic and Economic Information

### Vehicle Registrations with Fuel Tax Receipts

Years Ended June 30

(Amounts in Thousands Except Fuel Tax Receipts per Registration)

| <u>Fiscal Year</u> | <u>Registrations</u> | <u>Percentage Change in Registrations</u> | <u>Net State Fuel Tax Receipts</u> | <u>Percentage Change in Fuel Tax Receipts</u> | <u>Fuel Tax Receipts per Registration</u> |
|--------------------|----------------------|---|------------------------------------|---|---|
| 2020               | 6,590                | 0.4%                                      | \$692,372                          | (2.0)%  | \$105                                     |
| 2019               | 6,562                | 0.8                                       | 706,383                            | 0.1   | 108                                       |
| 2018               | 6,511                | (1.0)                                     | 705,833                            | 0.9   | 108                                       |
| 2017               | 6,580                | (3.2)                                     | 699,355                            | 0.3   | 106                                       |
| 2016               | 6,795                | 1.6                                       | 697,580                            | 2.6   | 103                                       |
| 2015               | 6,689                | 4.7                                       | 680,045                            | 2.6   | 104                                       |
| 2014               | 6,390                | (6.1)                                     | 667,361                            | 1.9   | 106                                       |
| 2013               | 6,807                | 2.2                                       | 666,106                            | 0.2   | 98  |
| 2012               | 6,659                | 8.7                                       | 676,601                            | (2.8)   | 100                                       |
| 2011               | 6,124                | (8.5)                                     | 685,447                            | 0.2   | 112                                       |

*Sources:*

Registrations: Missouri Department of Revenue, Missouri State Highway Patrol and MoDOT for federal reporting

Fuel Tax Receipts: MoDOT Financial Services Division, cash basis

*Note:*

Fiscal year 2021 registrations data is not yet available.

## Operating Information

### Demand and Level of Service Indicators

Years Ended December 31

| <u>Year</u> | <u>Daily Vehicle Miles Traveled<br/>(Amounts in Thousands)</u> |                               |                                  | <u>Population<br/>(Amounts in<br/>Thousands)</u> | <u>Average<br/>Daily Miles<br/>Per Capita</u> |
|-------------|--|-------------------------------|----------------------------------|--|---|
|             | <u>State<br/>Highways</u>                                      | <u>Non-State<br/>Highways</u> | <u>Total Public<br/>Highways</u> |  |   |
| 2020        | 127,865  | 69,602                        | 197,467                          | 6,155  | 32.1  |
| 2019        | 142,330  | 73,309                        | 215,639                          | 6,137  | 35.1  |
| 2018        | 140,915  | 67,462                        | 208,377                          | 6,126  | 34.0  |
| 2017        | 141,938  | 66,038                        | 207,976                          | 6,114  | 34.0  |
| 2016        | 139,361  | 64,807                        | 204,169                          | 6,093  | 33.5  |
| 2015        | 136,129  | 60,849                        | 196,978                          | 6,084  | 32.4  |
| 2014        | 134,056  | 60,293                        | 194,349                          | 6,064  | 32.1  |
| 2013        | 131,064  | 56,871                        | 189,935                          | 6,044  | 31.4  |
| 2012        | 130,518  | 56,887                        | 187,405                          | 6,022  | 31.1  |
| 2011        | 129,512  | 58,948                        | 188,460                          | 6,011  | 31.4  |

*Sources:*

Daily Vehicle Miles Traveled: MoDOT Transportation Planning Division

Population: United States Department of Commerce, Census Bureau



## Operating Information

### Demand and Level of Service Indicators

Years Ended June 30

| Year | Freight Tonnage By Mode<br>(Amounts In Thousands) (1) (2) |               |          |         | Travel Information by Mode   |  |  |
|------|---|---------------|----------|---------|------------------------------|--|--|
|      | Port (4)  | Motor Carrier | Aviation | Rail    | Number of Transit Passengers | Number of River Runner Rail Passengers | Number of Airline Passengers (Amounts in Millions) (2) |
| 2021 | n/a-src   | n/a-src       | n/a-src  | n/a-src | n/a-src                      | n/a-src                                | n/a-src  |
| 2020 | n/a-src   | n/a-src       | n/a-src  | n/a-src | 47,600,000                   | 118,000                                | n/a-src  |
| 2019 | n/a-src   | n/a-src       | n/a-src  | n/a-src | 56,100,000                   | 156,000                                | 14.3   |
| 2018 | 40,000  | 532,000       | 192      | 360,000 | 58,600,000                   | 173,000                                | 14.1   |
| 2017 | 37,000  | 500,000       | 184      | 350,000 | 62,500,000                   | 171,000                                | 13.5   |
| 2016 | 35,000  | 462,000       | 186      | 352,000 | 59,100,000                   | 172,000                                | 12.8   |
| 2015 | 37,000  | 485,000       | 186      | 397,000 | 62,800,000                   | 185,600                                | 11.9   |
| 2014 | 39,000  | 485,000       | 196      | 431,000 | 63,100,000                   | 189,200                                | 11.7   |
| 2013 | 35,000  | 464,000       | 198      | 420,000 | 62,500,000                   | 197,000                                | 11.6   |
| 2012 | 30,000  | 409,000       | 195      | 438,000 | 63,400,000                   | 193,000                                | 11.6   |

Source:

Bureau of Transportation Statistics and the Corps of Engineers

Notes:

- (1) Data is estimated and provides generalized trends and movements.
- (2) Measured on a calendar year basis.
- (3) Negative numbers mean final project cost was less than the amount budgeted for the project.
- (4) Prior years data may be updated for information received in subsequent years.
- (5) No data collection for this measure occurred in 2020 for 2019.

n/a-cy: Not available - calendar year basis.

n/a-src: Not available - external source provides data.

| <u>Road and Bridge Projects</u>   |  | <u>Safety</u>  |  |  |
|---|--|--|--|--|
| <u>Percent of Programmed Project Cost As Compared To Final Project Cost (3)</u> | <u>Percent of Projects Completed on Time</u> | <u>Number of Fatalities from Traffic Crashes (2) (4)</u> | <u>Number of Serious Injuries from Traffic Crashes (2) (4)</u> | <u>Percent of Stripes on Major Roads In Good Condition (2) (5)</u> |
| (4.30)%   | 69%  | n/a-cy   | n/a-cy   | n/a-cy   |
| (9.20)  | 76   | 987  | 4,777  | n/a-cy   |
| (4.10)  | 75   | 881  | 4,489  | n/a  |
| (6.00)  | 75   | 921  | 4,717  | 31.9%  |
| (0.50)  | 68   | 932  | 4,886  | 77.0   |
| (2.65)  | 68   | 947  | 4,743  | 89.8   |
| (5.56)  | 67   | 870  | 4,573  | 53.8   |
| (7.70)  | 73   | 766  | 4,657  | 83.0   |
| (12.47)   | 80   | 757  | 4,938  | 92.1   |
| (10.43)   | 75   | 826  | 5,506  | 96.4   |

## Operating Information

### Capital Asset Indicators <sup>(1)</sup>

Years Ended December 31

| <u>Year</u> | <u>Centerline Miles</u> | <u>Percentage of Major Highways In Good Condition</u> | <u>Number of Bridges in Poor Condition <sup>(2), (3)</sup></u> |
|-------------|-------------------------|---|--|
| 2020        | 33,830                  | 90.6%   | 837  |
| 2019        | 33,832                  | 91.1  | 893  |
| 2018        | 33,838                  | 91.5  | 909  |
| 2017        | 33,859                  | 91.6  | 922  |
| 2016        | 33,856                  | 90.1  | 883  |
| 2015        | 33,873                  | 90.4  | 866  |
| 2014        | 33,892                  | 89.2  | 852  |
| 2013        | 33,890                  | 89.7  | 842  |
| 2012        | 33,885                  | 88.5  | 817  |
| 2011        | 33,845                  | 88.1  | 2,208  |

*Sources:*

MoDOT Tracker – Measures of Departmental Performance

Centerline miles provided by Transportation Planning Division

*Notes:*

(1) Assets of non-highway modes are not owned by the state. MoDOT administers funds to those entities, primarily through federal and state grants.

(2) The Safe and Sound Bridge Improvement program, completed in October 2012, rehabilitated 248 and replaced 554 bridges.

(3) In 2017, MoDOT revised the definition of bridges in 'poor condition' to better align with FHWA standards. Fiscal years 2012-2016 have been restated to reflect the revision.

# Operating Information

## Capital Asset Indicators

Years Ended December 31

| <u>Functional Classification</u> | <u>2020</u>   | <u>2019</u>   | <u>2018</u>   | <u>2017</u>   | <u>2016</u>   | <u>2015</u>   | <u>2014</u>   | <u>2013</u>   | <u>2012</u>   | <u>2011</u>   |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Rural</b>                     |               |               |               |               |               |               |               |               |               |               |
| Interstate                       | 842           | 842           | 842           | 842           | 842           | 842           | 842           | 841           | 867           | 723           |
| Freeway/expressway               | 1,125         | 1,125         | 1,125         | 1,125         | 1,020         | 926           | 920           | 923           | 878           | 967           |
| Principal arterial               | 1,888         | 1,877         | 1,876         | 1,876         | 1,958         | 2,029         | 2,043         | 2,037         | 2,103         | 2,157         |
| Minor arterial                   | 3,967         | 3,980         | 3,980         | 3,976         | 3,935         | 3,959         | 3,953         | 3,964         | 3,962         | 3,959         |
| Major collector                  | 15,962        | 15,971        | 15,972        | 15,977        | 16,138        | 16,137        | 16,134        | 16,164        | 16,191        | 16,181        |
| Minor collector                  | 5,981         | 5,979         | 5,978         | 5,979         | 5,940         | 5,943         | 5,946         | 5,953         | 5,961         | 5,954         |
| Local                            | 991           | 983           | 980           | 980           | 925           | 927           | 923           | 934           | 965           | 963           |
| <b>Urban</b>                     |               |               |               |               |               |               |               |               |               |               |
| Interstate                       | 538           | 538           | 538           | 538           | 538           | 538           | 538           | 538           | 512           | 482           |
| Freeway/expressway               | 483           | 483           | 483           | 483           | 476           | 468           | 461           | 446           | 434           | 455           |
| Principal arterial               | 640           | 638           | 640           | 643           | 646           | 654           | 689           | 708           | 719           | 730           |
| Minor arterial                   | 574           | 577           | 584           | 587           | 591           | 597           | 582           | 571           | 565           | 549           |
| Major collector                  | 483           | 477           | 485           | 487           | 520           | 523           | 517           | 485           | 446           | 445           |
| Minor collector                  | 57            | 56            | 56            | 56            | 22            | 22            | 23            | 14            | 2             | ---           |
| Local                            | 299           | 306           | 299           | 310           | 305           | 308           | 321           | 312           | 280           | 280           |
| <b>Total centerline miles</b>    | <u>33,830</u> | <u>33,832</u> | <u>33,838</u> | <u>33,859</u> | <u>33,856</u> | <u>33,873</u> | <u>33,892</u> | <u>33,890</u> | <u>33,885</u> | <u>33,845</u> |
| <b>Statewide Composite</b>       |               |               |               |               |               |               |               |               |               |               |
| Interstate                       | 1,380         | 1,380         | 1,380         | 1,380         | 1,379         | 1,380         | 1,380         | 1,379         | 1,379         | 1,206         |
| Freeway/expressway               | 1,608         | 1,608         | 1,608         | 1,609         | 1,496         | 1,394         | 1,381         | 1,369         | 1,312         | 1,421         |
| Arterial                         | 7,069         | 7,072         | 7,080         | 7,081         | 7,130         | 7,239         | 7,267         | 7,280         | 7,349         | 7,394         |
| Collector                        | 22,483        | 22,483        | 22,491        | 22,499        | 22,621        | 22,625        | 22,620        | 22,616        | 22,600        | 22,580        |
| Local                            | 1,290         | 1,289         | 1,279         | 1,290         | 1,230         | 1,235         | 1,244         | 1,246         | 1,245         | 1,244         |
| <b>Total centerline miles</b>    | <u>33,830</u> | <u>33,832</u> | <u>33,838</u> | <u>33,859</u> | <u>33,856</u> | <u>33,873</u> | <u>33,892</u> | <u>33,890</u> | <u>33,885</u> | <u>33,845</u> |

## Operating Information

### Employee Full-Time Equivalents (FTE)\*

Years Ended June 30

|                  | <u>2021</u>  | <u>2020</u>  | <u>2019</u>  | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  | <u>2014</u>  | <u>2013</u>  | <u>2012</u>  |
|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| District offices | 4,302        | 4,537        | 4,655        | 4,572        | 4,597        | 4,493        | 4,610        | 4,653        | 4,501        | 4,685        |
| Central office   | <u>712</u>   | <u>732</u>   | <u>754</u>   | <u>759</u>   | <u>755</u>   | <u>763</u>   | <u>771</u>   | <u>765</u>   | <u>765</u>   | <u>886</u>   |
| <b>Total</b>     | <u>5,014</u> | <u>5,269</u> | <u>5,409</u> | <u>5,331</u> | <u>5,352</u> | <u>5,256</u> | <u>5,381</u> | <u>5,418</u> | <u>5,266</u> | <u>5,571</u> |

\*A full-time equivalent is the total amount of hours worked or paid leave divided by 2,080 hours.

# Other Information

---



This page intentionally left blank

**Independent Auditors' Report On Internal  
Control Over Financial Reporting And On  
Compliance And Other Matters Based On An  
Audit Of Financial Statements Performed In  
Accordance With *Government Auditing Standards***

Missouri Highways and Transportation Commission  
Missouri Department of Transportation  
Jefferson City, Missouri

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Missouri Department of Transportation (the Department), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and have issued our report thereon dated September 30, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Department's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Compliance And Other Matters**

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose Of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RubinBrown LLP*

September 30, 2021