2026

The Annual **Comprehensive Financial Report**

for fiscal years ended
June 30, 2026 and 2025

Missouri Department of Transportation

An agency of the State of Missouri

MoDOT

www.modot.org



Annual Comprehensive Financial Report

for the fiscal year ended
June 30, 2026

Prepared by the Financial Services Division
under the direction of
Brenda Morris, CPA, Chief Financial Officer
and Doug Hood, Financial Services Director

Missouri Department of Transportation
105 West Capitol Avenue
Jefferson City, MO 65102
573-526-8106



Missouri Department of Transportation
an agency of the State of Missouri

Table of Contents

	Page
Introductory Section	
Letter of Transmittal	7
Principal Officials	13
Organizational Chart	14
Financial Section	
Independent Auditors' Report	17
Management's Discussion and Analysis	22
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	92
Budgetary Comparison Schedules – State Road Fund	94
Budget Basis to GAAP Reconciliations and Disclosure	96
Schedule of Proportionate Share of Net Pension Liability (NPL)	98
Schedule of Pension Contributions	98
Schedule of Proportionate Share of Total OPEB Liability Last 10 Fiscal Years	99
Schedule of Proportionate Share of Total OPEB Contributions Last 10 Fiscal Years	99
Schedule of Changes in the Department's Total OPEB Liability and Related Ratios	100
Combining Financial Statements	
Nonmajor Governmental Funds	
Combining Balance Sheets	104
Combining Statements of Revenues, Expenditures and Changes in Fund Balances	106
Proprietary Funds – Internal Service	
Combining Statements of Net Position	110
Combining Statements of Revenues, Expenses and Changes in Net Position	111
Combining Statements of Cash Flows	112

Table of Contents

(continued)

	Page
Budgetary Comparison Schedules and Reconciliations – Debt Service and Nonmajor Governmental Funds	
Budgetary Comparison Schedule and Reconciliation – State Road Bond Fund	114
Budgetary Comparison Schedule and Reconciliation – Multimodal Federal Fund and Stimulus Funds and ARPA	115
Budgetary Comparison Schedule and Reconciliation – State General Revenue and Budget Stabilization Funds	116
Budgetary Comparison Schedule and Reconciliation – State Transportation Fund	117
Budgetary Comparison Schedule and Reconciliation – Aviation Trust Fund	118
Budgetary Comparison Schedule and Reconciliation – State Transportation Assistance Revolving Fund	119
Budgetary Comparison Schedule and Reconciliation – Motor Carrier Services (MCS) Federal Fund	120
Budgetary Comparison Schedule and Reconciliation – Grade Crossing Safety Fund	121
Budgetary Comparison Schedule and Reconciliation – Railroad Expense Fund	122
Budgetary Comparison Schedule and Reconciliation – Highway Safety Fund	123
Budgetary Comparison Schedule and Reconciliation – Motorcycle Safety Fund	124
Budgetary Comparison Schedule and Reconciliation – Waterways and Ports Trust Fund	125
Budgetary Comparison Schedule and Reconciliation – Medal of Honor Fund	126
Statistical Section	
Index and Overview Statistical Section	129
Financial Trends	131
Revenue Capacity	138
Debt Capacity	142
Demographic and Economic Information	146
Operating Information	151
Other Information	
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 *Government Auditing Standards* – Independent Auditors' Report	159



This page intentionally left blank

Introductory Section



This page intentionally left blank

MoDOT

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

Missouri Department of Transportation
Ed Hassinger, P.E., Director

1.888.ASK MODOT (275.6636)

September 30, 2026

The Honorable Michael Kehoe, 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, 2026.

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, 2026, 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 General Revenue and Budget Stabilization 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 serving customers for 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 33,805 miles of highway and 10,423 bridges and culverts. 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 the State Road Fund, which includes highway revenues and any other funds deposited for debt service.

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.

Budgetary Controls

The Commission approves the appropriation submittal provided to the State Legislature for all governmental funds reported by MoDOT with the exception of those funds appropriated to the Office of Administration for certain fringe benefits and to other state agencies for the cost of collecting highway user revenues and to enforce motor vehicle laws. 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 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 in fulfilling its mission. 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 Missouri citizens.

Missouri employment increased during fiscal year 2026. Per the Missouri Economic and Research Information Center (MERIC), in fiscal year 2026, the unemployment rate decreased to 3.7 percent in June 2026. This compares to an unemployment rate of 4.0 and 3.8 percent in June 2025 and June 2024, respectively. Compared to the national trend, the United States unemployment rate increased slightly when compared to the previous year while Missouri's rate decreased. Missouri's rate was .5 percentage points lower in June of 2026 than the national rate of 4.2 percent. While the unemployment rate decreased, the number of jobs also decreased in fiscal year 2026 compared to fiscal year 2025. Per MERIC, employment gains occurred over the previous year in some areas including mining, logging and construction; Information; and financial activities. Employment losses occurred in areas including manufacturing; professional and business services; private education and health services; leisure and hospitality; and government. Employment stayed the same for trade, transportation, and utilities. Personal income in the first quarter of 2026 shows an increase over the previous year of 3.6 percent. Consumer confidence decreased in fiscal year 2026 over 2025, which indicates that consumers are less optimistic about the economy than in the previous year.

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 ten 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)
2027-2031	$8,280.3	$650.8	$8,931.1	9,303	$57,412	$534.0	$714.0
2026-2030	$8,972.0	$723.3	$9,695.3	9,526	$57,338	$546.0	$749.0
2025-2029	$10,080.0	$664.2	$10,744.2	10,494	$56,956	$598.0	$806.0
2024-2028	$10,114.9	$531.5	$10,646.4	10,448	$56,886	$594.0	$772.0
2023-2027	$9,194.0	$544.5	$9,738.5	9,313	$58,190	$542.0	$735.0
2022-2026	$6,692.4	$351.3	$7,043.7	6,124	$60,420	$370.0	$499.0
2020-2024	$5,773.1 ($4,620.0 are awards)	$390.2	$6,163.3	4,940	$53,846	$266.0	$379.0
2019-2023	$5,525.4 ($4,500.0 are awards)	$385.2	$5,910.6	4,746	$53,839	$255.5	$363.7
2018-2022	$5,608.4 ($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

*Includes only programmed projects.
**Only total investment is available for this STIP.

Federal funds are the largest source of transportation revenue. The Department's share of state fuel tax collections, the second largest revenue source, increased 11.5 percent in 2026, which includes the final annual incremental addition of 2.5 cents per gallon, as enacted by Senate Bill 262 by the General Assembly. The 2026 state fuel tax receipts are more than collections in 2025, the year with the highest collections. Prior to the 2021 legislative session, 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 decreased 1.0 percent from 2025. 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 cash receipts were essentially the same compared to 2025. Overall, state collections for the Department increased 5.5 percent in 2026 compared to 2025.

On November 15, 2021, the President signed into law the Infrastructure Investment and Jobs Act (IIJA), also referred to as the Bipartisan Infrastructure Law (BIL), which authorizes the federal surface transportation programs for highways, highway safety, transit and rail for the five-year period from 2022 through 2026. The IIJA is funded with receipts into the Highway Trust Fund, transfers from the General Fund and additional funding offsets. The IIJA is five-year legislation to improve the nation's surface transportation infrastructure, including roads, bridges, transit systems and rail transportation network. The act reforms and strengthens transportation programs, refocuses on national priorities, provides long-term funding certainty and more flexibility for states and local governments, streamlines project approval processes and maintains a strong commitment to safety. This bill is set to expire at the end of federal fiscal year 2026.

In May 2026, the House Transportation Committee introduced its version of a surface reauthorization bill. Build Unrivaled Infrastructure and Long-term Development for America's 250th Act (BUILD America 250 Act), which authorizes $580 billion for federal surface transportation, highway, transit, and rail programs. On September 2, 2026, the President signed the Continuing Appropriations and Extensions Act 2027 (Act). The bill extends the existing surface transportation programs that are set to lapse September 30, 2026. The extension goes through December 11, 2026. The bill also includes a continuing resolution for appropriations. The continuing resolution runs until December 11, 2026 as well. We anticipate continuing resolutions will be passed until a new authorization bill is agreed upon. Congress needs to continue to work on a new authorization bill and on long-term source of transportation revenue to support the nation's infrastructure needs. Under IIJA, Missouri's annual apportionments have increased approximately 30 percent compared to the last year of the prior transportation act, the Fixing America's Surface Transportation (FAST) Act.

Construction and Condition of the System

Missouri's 2027-2031 STIP was approved by the Commission in July 2026. The STIP awards for road and bridge projects total $7,320.0 million and makes maintaining the existing system a priority in an effort to keep Missouri's transportation system in its current condition. While this year's STIP is aimed at meeting asset management goals, the opportunities to expand the system – widening a busy two-lane road to four lanes to reduce congestion and make systematic safety improvements, or building a new roadway or interchange to help promote business development and bring jobs to the state – are beginning to decline. The Missouri General Assembly during its 2026 legislative session continued to re-appropriate significant general revenue and general revenue look-alike funds for specific transportation projects including reappropriation of funds to provide three lanes of traffic in both directions on I-70 between Wentzville and Blue Springs and for improvements to I-44. This historical investment will be transformational for the state of Missouri; however, not many new investments were approved.

In December 2025, Missouri's major roads were 89.8 percent in good condition. Minor roads with greater than 400 vehicles traveling on them per day was 86.3 percent in good condition as of December 2025, 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 85.5 percent in good condition at December 2025. Perhaps the greatest variation in condition by District exists with low volume roads attributable to extreme weather and flooding. Approximately, 5,094 of 10,465 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 2,118 of minor roads are also not eligible for federal reimbursement for a total of 7,213 miles. This places great strain on limited operating budgets and results in local dissatisfaction with inconsistent conditions. Fortunately, the 2027–2031 STIP continues to have an investment in the state's minor and low-volume pavement and bridges at $1.59 billion over the next five years, including $20.0 million of General Revenue funds for new projects in fiscal year 2027. Also, as of December 2025, 726 of the 10,423 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, as well as other bridge bundles that have been completed in recent years.

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.

The Department continues to try to address issues with employee pay. Effective July 1, 2022, the Commission approved a partial market compensation plan within the limits of the approved appropriations. The market adjustment was not an across-the-board flat pay increase for all employees, but was based on an analysis of each position's pay compared to the market. As part of the actions, the Department moved employees through the ranges based on tenure. With implementation of the market adjustment and the cost-of-living adjustments approved by the Governor and General Assembly, the Department started to see a positive impact on hiring and the reduction of vacancies. Starting in late fiscal year 2026, the Department is beginning to see increases in vacancies as employee salaries are not keeping pace with the market and inflation.

The number of vacancies for June 2026 at 303 was more than the number at June 2025 at 239, both years were still a significant decrease from June 2023 when vacancies totaled 506. MoDOT's employee turnover rate for fiscal year 2026 was 15.82 percent, up from 14.72 percent in fiscal year 2025. This increase indicates that more terminations are occurring than the previous year, and the Department is no longer compensating by hiring more employees than previous. This information indicates the Department's attention needs to be on retention and focusing on things like the continuation of the market plan and moving employees through salary ranges based on tenure as well as across the board increases to compensate for inflation.

The estimated cost of turnover, which includes hard costs, soft costs and leave payouts, for fiscal year 2026 was $57.98 million, up from $50.99 million in fiscal year 2025. The Commission and the Department continue to monitor the situation and believe 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 increase with the federal reauthorization has resulted in a significantly larger construction program. The larger construction program will result in more roadway assets that will need to be maintained once built. That increases the Department's operational costs. 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 2027 budget, $7.3 billion, initially approved by the Commission in June and amended by the Commission in August, is approximately $695.9 million less than the Department's 2026 budget. During the 2025 legislative session, the General Assembly proposed the creation of a new Federal Road Fund. In anticipation of the legislation being passed, the General Assembly reduced the appropriations from the State Road Fund. The appropriation authority from the State Road Fund was only sufficient for seven to nine months of expenditures. The General Assembly did not pass enabling legislation creating the mechanism to fund the Federal Road Fund and the Governor's Office later vetoed the related appropriations from the new fund. Supplemental appropriations totaling $642.7 million were provided by the General Assembly and the Governor in fiscal year 2026 to be able to pay employees and pay for construction projects for the entire fiscal year. The reduction in the budget is a result of completed projects.

The construction program has grown over the last several years to ensure all federal funds allocated to Missouri are invested in the transportation system and because of the significant investment by the legislature and the Governor's Office in investing General Revenue and General Revenue look-alike funding in transportation. In the coming years, 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. The funds spent will be focused on maintaining the current transportation system with several targeted investments.

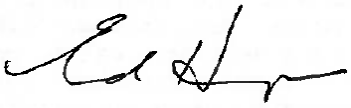
Other Information

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, 2026.

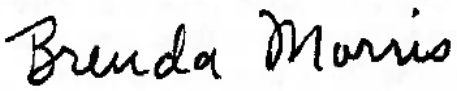
Acknowledgements

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 leadership of the Commission and the dedicated efforts of MoDOT employees. The commitment and professionalism of the Financial Services Division staff contributed significantly to the timely preparation of the 2026 report.

Respectfully submitted,



Ed Hassinger, P.E.
Director



Brenda Morris, CPA
Chief Financial Officer

Principal Officials

as of June 30, 2026

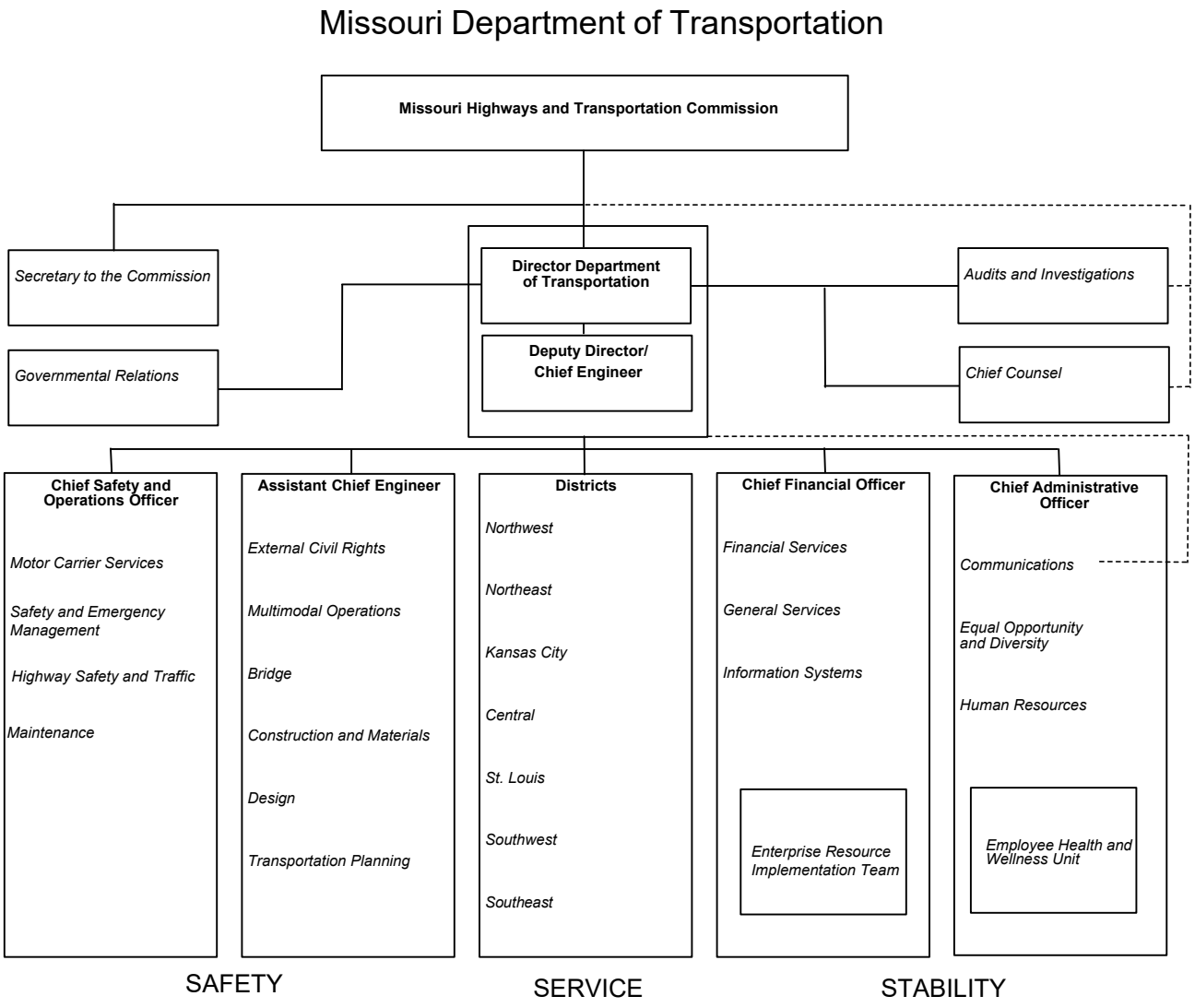
Commission	
Warren K. Erdman	Chairman
W. Dustin Boatwright	Vice Chair
Gregg C. Smith	Member
Daniel J. Hegeman	Member
Francis G. Slay	Member
Ann Marie Baker	Member
Jennifer Jorgensen	Secretary

MoDOT	
Ed Hassinger	Director
Eric Schroeter	Deputy Director/Chief Engineer
Mark Croarkin	Assistant Chief Engineer
Vacant[1]	Chief Administrative Officer
Brenda Morris	Chief Financial Officer
Becky Allmeroth	Chief Safety and Operations Officer
Terri Parker	Chief Counsel
Misty Volkart	Audits and Investigations Director
Bryan Hartnagel	State Bridge Engineer
Brandi Baldwin	State Construction and Materials Engineer
Taylor Brune	Communications Director
Sarah Kleinschmit	State Design Engineer
Andria Hendricks	Equal Opportunity and Diversity Director
Melissa Stuedle	External Civil Rights Director
Doug Hood	Financial Services Director
Ben Reeser	General Services Director
Pam Harlan	Governmental Relations Director
Ashley Halford[1]	Human Resources Director
Jason Volkart	Information Systems Director
Darin Hamelink	State Maintenance Director
Aaron Hubbard	Motor Carrier Services Director
Jerica Holtsclaw	Multimodal Operations Director
Jon Nelson	State Highway Safety and Traffic Engineer
Chris Engelbrecht	Safety and Emergency Management Director
Llans Taylor	Transportation Planning Director

Districts	
Marty Liles	Northwest District Engineer
Kevin James	Northeast District Engineer
Greg Bolon	Kansas City District Engineer
Machelle Watkins	Central District Engineer
Tom Evers	St. Louis District Engineer
Stacy Reese	Southwest District Engineer
Donnie Brown	Southeast District Engineer

[1]Ashley Halford became the Chief Administrative Officer effective September 16, 2026.

Organizational Chart
June 30, 2026



Financial Section



This page intentionally left blank

RubinBrown

7676 Forsyth Blvd
Suite 2100
St. Louis, MO 63105

T: 314.290.3300
E: info@rubinbrown.com
www.RubinBrown.com

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

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

Opinions

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 years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Department as of June 30, 2026 and 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards).* Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our reports. We are required to be independent of the Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis Of A Matter Relating To Restatements

As described in Note 16, the 2025 financial statements have been restated to correct the balances and activity related to self-insurance liability reserve balances and in-progress equipment. Our opinion is not modified with respect to these matters.

Responsibilities Of Management For The Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Department's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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, 2026 and 2025, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 22 through 35, the Budgetary Comparison Schedules on pages 92 through 97, the Schedule of Proportionate Share of Net Pension Liability and the Schedule of Pension Contributions on page 98, 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 99 and the Schedule of Changes in the Department's Total Other Post-Employment Benefit Liability and Related Ratios on page 100 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB 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.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The combining financial statements and the budgetary comparison schedules and reconciliations - debt service and nonmajor governmental funds 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, which is the responsibility of management, 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2026 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, 2026

Management's Discussion and Analysis

Management's Discussion and Analysis

The following section of our annual financial report is management's discussion and analysis (MD&A). The MD&A provides a narrative overview and analysis of the financial statements of the Department (MoDOT) for the fiscal year ended June 30, 2026, focusing on why amounts changed from the prior years. 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 Governmental Accounting Standards Board (GASB) Statement No. 103, Financial Reporting Model Improvements, and GASB Statement No.104, Disclosure of Certain Capital Assets, during fiscal year 2026. While these standards did not have a financial impact on the Department's financial statements, GASB Statement No. 103 required updates to the Management's Discussion and Analysis to align with the revised financial reporting model and GASB Statement No.104 required additional disclosures, as noted in Footnote 6.

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 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 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 financial statements. The Department uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of the amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies). 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.

FINANCIAL SUMMARY AND DETAILED ANALYSIS

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, 2026 and 2025 (as restated). The Department's combined net position increased $2.2 billion over the course of this fiscal year's operations, an increase of 6.2 percent.

(Amounts in millions)

	2026	2025 (restated)	2024 (restated)	Percent Change 2026-2025
Assets				
Current and other assets	$ 3,733	$ 2,629	$ 2,606	42.0%
Capital assets, net	37,075	35,313	33,980	5.0
Total assets	40,808	37,942	36,586	7.6
Deferred Outflows of Resources				
Deferred bond refunding	---	1	2	(100.0)
Pension related items	230	328	328	(29.9)
Other postemployment benefits	157	52	78	201.9
Asset retirement obligations*	---	---	---	---
Total deferred outflows of resources	387	381	408	1.6
Liabilities				
Current liabilities	828	807	733	2.6
Noncurrent liabilities	2,839	2,067	2,578	37.3
Total liabilities	3,667	2,874	3,311	27.6
Deferred Inflows of Resources				
Deferred bond refunding*	---	---	---	---
Lease revenues	3	2	3	50.0
Pension obligations	215	188	127	14.9
Other postemployment benefits	278	391	504	(28.9)
Total deferred inflows of resources	496	581	634	(14.5)
Net Position				
Net Investment in capital assets	35,961	34,295	32,719	4.9
Restricted (internal service fund requirements set by legislation and highways and transportation uses)	1,071	573	330	86.9
Total net position	$ 37,032	$34,868	$ 33,049	6.2%

*Due to rounding, deferred outflows related to asset retirement obligations and deferred inflows related to bond refunding does not show on this table.

The total assets of the Department were $40.8 billion at June 30, 2026, with deferred outflows of resources of $386.8 million. Total liabilities were $3.7 billion, with deferred inflows of resources of $495.9 million, resulting in a net position of $37.0 billion.

Total assets increased $2.9 billion in fiscal year 2026, driven by growth in both capital assets and cash, cash equivalents, and investments. Capital assets rose $1.8 billion, reflecting increased construction activity under the Statewide Transportation Improvement Plan (STIP), including I-70 corridor improvements and other major construction expansions within the construction program. Cash, cash equivalents, and investments also increased by $1.0 billion, primarily due to the timing of bond proceeds and cash transfers for the Improve I-70 and Forward 44 programs. The Department received $1.2 billion in bond proceeds in 2026, with $869.3 million remaining unspent at year-end. In addition, the State Road Fund received $331.6 million in transfers for the Improve I-70 and Forward 44 Programs. Because funding for these projects is requested at the time of award, and many awarded projects are still early in construction, related expenditures have not yet taken place. This results in higher cash balances at June 30, 2026.

Total liabilities increased $793.0 million in fiscal year 2026, reflecting changes in several long-term obligations. The Department's other post-employment benefits (OPEB) liability increased by $164.4 million, driven primarily by updated actuarial assumptions, including higher projected healthcare costs for retirees. In contrast, the Department's proportionate share of the net pension liability decreased $192.9 million due to improved overall plan performance. Although normal cost and interest continued to grow as expected, actuarial experience losses were significantly lower than in the prior year, slowing the growth of the total pension liability. Strong investment returns also increased the plan's fiduciary net position, reducing the net pension liability. Financing and other obligations increased $768.8 million from the prior year. This is the net effect of issuing new debt and scheduled debt repayments; additional details will be provided in the

significant capital asset and long-term financing section of this report.

The largest portion of the Department's net position, $36.0 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 remainder is restricted for internal service fund requirements set by legislation and highways and transportation uses.

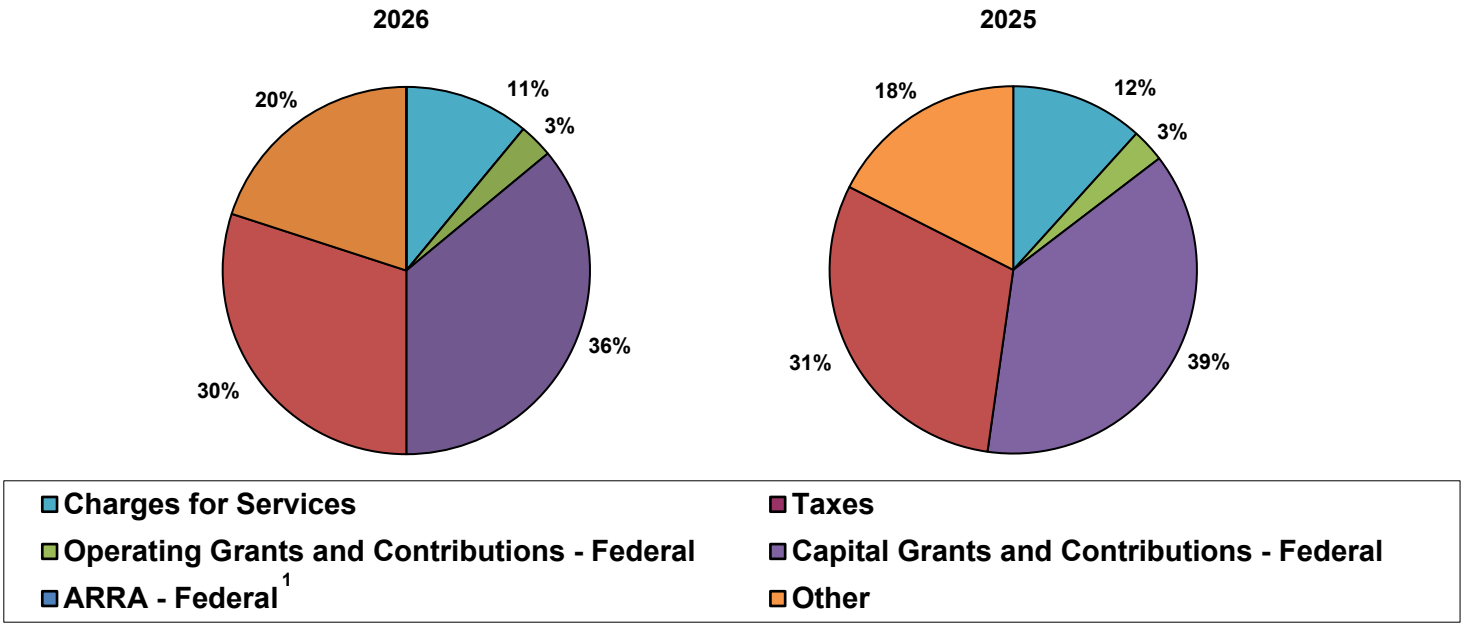
Statements of Activities

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, 2026, 2025 (as restated) and 2024 (as restated):

(Amounts in millions)	2026	2025 (restated)	2024 (restated)	Percent Change 2026 -2025
Revenues				
Program revenues				
Charges for services	$ 496	$ 492	$ 503	0.8%
American Recovery and Reinvestment Act	8	9	10	(11.1)
Operating grants and contributions – federal government	127	126	93	0.8
Capital grants and contributions – federal government	1,655	1,468	1,420	12.7
General revenues				
Taxes	1,390	1,274	1,214	9.1
Investment earnings (loss)	86	118	106	(27.1)
Miscellaneous	817	609	323	34.2
Total revenues	4,579	4,096	3,669	11.8
Expenses				
Program expenses				
Administration	7	8	9	(12.5)
Fleet, facilities and information systems	36	39	35	(7.7)
Safety and operations	500	461	430	8.5
Program delivery	389	314	269	23.9
Multimodal operations	167	181	124	(7.7)
Interest on debt	52	56	61	(7.1)
Other state agencies	331	313	302	5.8
Self insurance (workers' compensation and liability)	27	25	31	8.0
Medical and life insurance	172	163	147	5.5
Pension	45	118	111	(61.9)
Other postemployment benefits	(34)	(76)	(58)	(55.3)
Depreciation on assets	723	687	666	5.2
Total expenses	2,415	2,289	2,127	5.5
Changes in net position	2,164	1,807	1,542	19.8
Net Position, beginning of year, as previously reported	34,868	33,049	31,576	5.8
Restatement of net position	---	12	(69)	(100.0)
Net position, beginning of year, as restated	34,868	33,061	31,507	5.5
Net position, end of year	$ 37,032	$ 34,868	$ 33,049	6.2%

Governmental Activities

The following chart depicts revenues of the governmental activities, as a percent, for the fiscal years ended June 30, 2026 and 2025:



[1]ARRA – federal revenues made up less than 1.0 percent of total revenues for fiscal years 2026 and 2025.

Revenues increased $483.0 million in fiscal year 2026. The largest driver was federal grants, including capital grants and contributions, which rose $186.4 million from fiscal year 2025. This increase was primarily due to higher contractor payments and the timing of reimbursements for project expenditures associated with a larger construction program. Revenue from state appropriations increased by $151.1 million due to higher transfers supporting the Improve I-70 and Forward 44 Programs. Revenues from taxes increased $117.0 million and are discussed in more detail below. Donated asset revenue increased $57.7 million, reflecting additional contributions from local entities toward infrastructure projects.

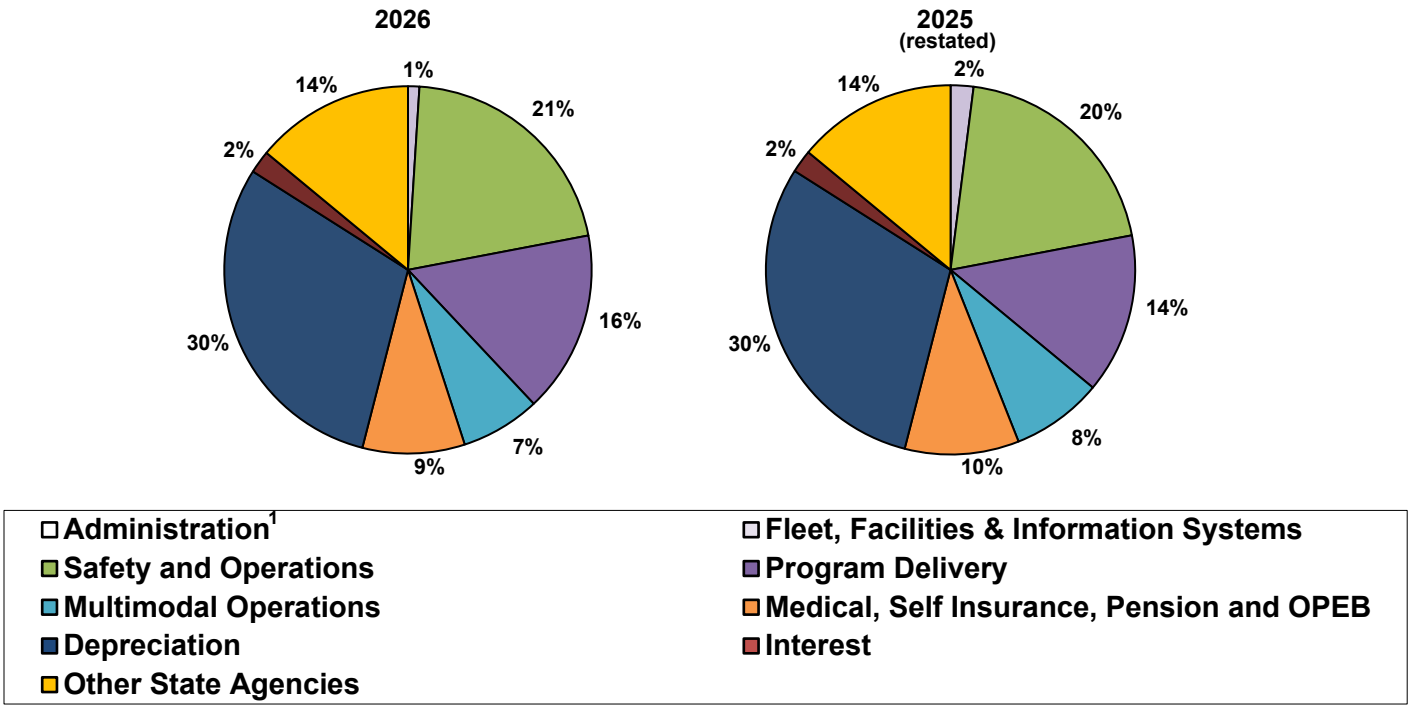
The following three revenue sources provided $3.5 billion, or 77.3 percent, of the Department's revenues:

- Charges for services, including licenses, fees, permits and cost reimbursements: $496.0 million
- Federal Highway Administration capital grants: $1.7 billion
- Sales and fuel taxes: $1.4 billion

In 2025, these same revenue sources provided $3.2 billion, or 79.0 percent of revenues. The decrease from 79.0 percent in fiscal year 2025 to 77.3 percent in fiscal year 2026 is primarily due to the General Assembly's increased investment of general revenue funds in roads and bridges, as well as local entities contributing more funds to infrastructure projects, which shows up as donated assets.

Taxes remain a major revenue component. Overall, taxes increased 9.2 percent with fuel taxes increasing 11.4 percent. The increase in fuel taxes is due to the full implementation of Senate Bill 262, which increased the motor fuel tax by 2.5 cents per gallon starting October 1, 2021 and increasing 2.5 cents each July 1 until the tax was fully phased in on July 1, 2025. Sales tax revenues in the financial statements increased 5.5 percent in fiscal year 2026. This increase reflects accrual adjustments and the timing of revenue recognition required under generally accepted accounting principles (GAAP); cash-basis collections for this revenue source remained flat compared to fiscal year 2025.

The following chart depicts expenses of the governmental activities for the fiscal years ended June 30, 2026 and 2025 (as restated):



[1]Administration expenses made up less than 1.0 percent of total expenses for fiscal years 2026 and 2025.

Expenses increased $126.7 million, or 5.5 percent in fiscal year 2026. The largest increases occurred in safety and operations, program delivery, and depreciation.

- Safety and operations expenses increased $39.2 million in fiscal year 2026. Most of the increase occurred in maintenance activities, including chip sealing, signing, brush cutting and tree removal, culvert repairs, and roadway sweeping. Snow and ice costs also rose due to early pre-fill of winter aggregates, such as salt, to ensure adequate supply for the upcoming winter season.
- Program Delivery expenses are $75.0 million higher due to an increase in expenditures not specifically tied to a project, such as salaries and fringe benefits not charged to a construction project, training and projects that are not capitalized. Costs tied to construction projects are included in capital assets and appear in depreciation expense.
- Depreciation expense increased $35.6 million in fiscal year 2026, reflecting the $710.8 million growth in the Department's depreciable capital assets during the year.

The Department's expenses for Program Delivery and Safety and Operations of the state's highway system totaled $889.4 million and $775.2 million in 2026 and 2025 (as restated), respectively. This represents 36.8 percent and 33.9 percent of the total expenses for 2026 and 2025 (as restated), respectively.

Detailed analysis of Governmental Funds

As previously mentioned, the Department uses fund accounting to ensure and demonstrate compliance with budgetary and legal requirements. The following analysis explains the key reasons for changes in the financial position of the Department's governmental funds.

The fund balances of the governmental funds at the end of fiscal year 2026 was $3.2 billion and $2.1 billion at the end of fiscal year 2025. Revenues from the federal government increased $183.0 million from fiscal year 2025 primarily due to higher contractor payments and the timing of reimbursements related to project expenditures associated with a larger construction program. The Department spent $477.6 million more in 2026. Most of this increase is related to the Department's larger construction program.

State Highways and Transportation Department Fund (Highway 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 $189.3 million, liabilities of $15.9 million, deferred inflows of resources $6.8 million and a restricted fund balance of $166.6 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 $1.1 billion in revenues compared to $1.0 billion from 2025. The increase is from higher motor fuel tax receipts.

State Road Fund (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 $3.1 billion, an increase of $1.1 billion from 2025. This increase is largely attributable to unspent bond proceeds and General Revenue transfers received for construction projects but not yet expended as of June 30, 2026. Deferred inflows of resources for the fund were $48.9 million compared to $18.9 million in fiscal year 2025, reflecting higher year-end receivables that were not collected within the fund's availability period. Liabilities totaled $308.1 million, an increase of $39.5 million from 2025 related to higher accounts payable for contractor payments as construction activity continues to increase. Fund balances totaled $2.8 billion, an increase of $1.0 billion from 2025, consistent with the fund's higher asset balances resulting from project-related resources that have not yet been spent.

State Road Bond Fund (Road Bond Fund): The Road Bond Fund was constitutionally established to receive a portion of 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 $174.1 million, compared to $163.8 million in 2025. 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 $12.8 million in 2026, reflecting higher motor vehicle sales tax collections transferred into the fund. Expenditures of the Road Bond Fund were $251.4 million in 2026 compared to $238.2 million in 2025. Although total debt service across all funds decreased slightly, Road Bond Fund expenditures increased because the fund is restricted for debt service and the Department prioritized using these dedicated resources before drawing on the Road Fund.

Detailed Analysis of 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 $3.4 million in 2026. Total current liabilities of the proprietary funds at the end of 2026 were $51.2 million, an increase of $4.8 million from 2025 (as restated). Total pending self insurance claims and incurred but not reported claims increased $185,000 from 2025 (as restated).

Total net position of the internal service funds increased at the end of the current fiscal year to $55.3 million, compared to $52.6 million in fiscal year 2025 (as restated). Highway workers' compensation and general liability expenses decreased $912,000 in fiscal year 2026.

The largest operating expenses of the proprietary funds, medical and prescription drug benefits, totaled $143.1 million compared to $141.8 million in 2025. This accounts for 71.9 percent of the total operating expenses, compared to 75.5 percent in 2025 (as restated).

The net position of the Self Insurance Fund increased $4.0 million in fiscal year 2026. The operating loss for the MHTC Self Insurance Fund was $166,000 in 2026 compared to a loss of $5.7 million in 2025 (as restated). The operating loss can be attributed to claim expenses exceeding premiums for the year.

The net position of the medical and life insurance plan decreased $1.4 million in fiscal year 2026. Although revenues, primarily from premiums, increased by $14.1 million in fiscal year 2026, expenditures continued to exceed revenues. This was largely driven by the increase in medical and prescription drug benefits and administrative services, contributing to an overall operating loss of $3.1 million.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

The Department's investment in capital assets for its governmental activities as of June 30, 2026, totals $66.7 billion, with accumulated depreciation of $29.6 billion and a net value of $37.1 billion. The net value represents an increase of $1.8 billion from fiscal year 2025 (as restated). These assets are summarized in the table below.

(Amounts in millions)

	2026	2025 (restated)	2024 (restated)	Percent Change 2026-2025
Land and permanent easements	$ 2,654	$ 2,646	$ 2,644	0.3%
Equipment in progress	48	36	15	33.3
Software in progress	1	1	4	---
Construction in progress	84	79	61	6.3
Infrastructure in progress	5,226	4,200	3,568	24.4
Land improvements	7	7	8	---
Land, right to use	1	1	1	---
Buildings	162	143	144	13.3
Buildings, right to use*	---	2	---	(100.0)
Software	4	4	3	---
Software, right to use	4	4	6	---
Vehicles and equipment	353	314	285	12.4
Vehicles and Equipment, right to use*	---	---	---	---
Temporary easements	5	4	5	25.0
IT infrastructure, right to use	4	3	4	33.3
Infrastructure	28,522	27,870	27,232	2.3
Total	$37,075	$ 35,314	$ 33,980	5.0%

*Due to rounding, vehicles and equipment, right to use and buildings, right to use do not show on this table.

As provided by generally accepted accounting principles (GAAP), the Department records its infrastructure assets at actual or estimated historical cost. Included in infrastructure are 33,805 miles of highways and 10,423 bridges and culverts that the Department is responsible for maintaining.

The STIP, often referred to as the program, 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.

Major capital assets events during the current fiscal year include the following:

- Equipment in progress increased $33.7 million during the year as the Department made scheduled progress payments for fleet replacements, including dump trucks and other heavy equipment that require multi-stage fabrication. These payments are initially recorded in equipment in progress and transferred to capitalized equipment when final components are delivered and the assets are ready for use. Transfers out during the year, totaling $21.0 million, and reflect completion of several of these units.
- Construction in progress increased $26.2 million during the year as the Department advanced several facility projects and right-of-way purchases. These costs represent work performed during the year on projects that are not yet ready for service, including site preparation, structural work, and incremental progress on multi-phase facility upgrades. Transfers out of construction in progress, totaling $20.5 million, reflect the completion of various projects that were capitalized as buildings or land once construction milestones were met and the assets were placed into service.

- Infrastructure projects in progress increased $2.3 billion. Significant in progress infrastructure projects include:
    - The Chester Bridge over the Mississippi River is being replaced. A design-build team was selected in March of 2023. The project's budget is $307.0 million. Construction started in early September of 2023. The new bridge was opened in July 2026. The demolition of the old bridge is expected to be completed by December 2026.
    - The General Assembly and the Governor approved as part of the fiscal year 2024 budget a total of $2.8 billion to improve the I-70 corridor. Specifically, the budget includes funds for the costs to plan, design, construct, reconstruct, rehabilitate and repair three lanes in each direction on approximately 200 miles of I-70 from Blue Springs to Wentzville. Of the total amount, $1.4 billion of General Revenue comes in the form of cash and spending authority. An additional $1.4 billion of authority to spend bond proceeds was provided with debt service to be paid from General Revenue. Bond proceeds are not to exceed $1.4 billion, annual debt service payments are not to exceed $136.0 million annually and the term of any bonds issued should not exceed 15 years. These funds were reappropriated for fiscal years 2025 and 2026. To maximize the statewide budget, the program was divided into nine different projects. This approach allows the department better contractor coordination and helps with construction staging. The entire project is expected to be completed by the end of calendar year 2030. The nine projects included in the statewide program include:
        - The I-70 Columbia to Kingdom City project will add an additional lane to both eastbound and westbound I-70 for 20 miles. Additionally, for the project there will be significant interchange improvements to the I-70 and US 63 and I-70 and US 54 interchanges. The project has an expected budget of $426.0 million. The project was awarded in February 2024 and is expected to be completed by December 2027.
        - The I-70 Warrenton to Wentzville project will add an additional lane to both eastbound and westbound I-70 for 19 miles. Additionally, the project includes significant interchange improvements to I-70 at I-64, I-70 at Route Z, I-70 at Route W, I-70 at Elm Street and I-70 at Route 47. Included with this project is also nine miles of an additional lane to I-64 between I-70 and Route K. The project has a budget of $634.0 million. The project was awarded in November 2024 and is expected to be completed by December 2028.
        - The I-70 Blue Springs to Odessa project will add an additional lane to both eastbound and westbound I-70 for 25 miles. This project also includes significant interchange improvements to I-70 at Route D in Bates City and I-70 at Route 131 in Odessa. The project has a budget of $367.0 million. The project was awarded in May 2025 and is expected to be completed by December 2028.
        - The I-70 Rocheport to Columbia project will add an additional lane to both eastbound and westbound I-70 for 14 miles and includes improvements to five interchanges. The project has an expected budget of $441.0 million. The project was awarded in December 2025 and is expected to be completed by December 2029.
        - The I-70 Boonville to Rocheport project will add an additional lane to both eastbound and westbound I-70 for 13 miles. The project has an expected budget of $125.0 million. The project was awarded in February 2026 and is expected to be completed by December 2027.
        - The I-70 Statewide Truck Parking project will make parking improvements to eight locations along I-70, adding 255 truck parking stalls. There will also be bathroom remodels at the eastbound and westbound locations in Wright City and Concordia. The project has an expected budget of $33.0 million. The project was awarded in May 2026 and is expected to be completed by December 2028.
    - 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. Sixteen 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 established in 2019 was reduced to $25.0 million. The remaining $25.0 million has been made available in the Road Fund as a result of funds that were redirected because of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Seventeen projects have been awarded for construction and fourteen of those have been completed. The program is expected to be completed by June 2027.
    - During the 2022 legislative session, Governor Parson recommended, and the legislature passed, an additional $75.0 million of General Revenue funds for the Transportation Cost-Share Program. The Department received 41 applications requesting $150.4 million in funds. Twenty-eight projects were awarded funding by the Commission in January 2023. Seventeen projects have been awarded for construction and eleven of those have been completed. On August 6, 2026, the Commission approved the revised scope on two projects reducing the general revenue funds committed to the projects by $ 2.2 million. The program is expected to be completed by June 2028.
    - The Chain of Rocks Bridge carrying I-270 over the Mississippi River in St. Louis is a border bridge partnership with the state of Illinois leading the project. The project improves an interchange and replaces the obsolete river bridge. This project has an anticipated budget of $532.0 million with MoDOT's share being $225.0 million and has an expected completion date of the fall of 2026.
    - The I-55 Project will make pavement and bridge improvements on I-55 from Route M to one mile south of US 67. The project will add a third lane to northbound and southbound I-55 from Route Z to US 67 and will make operations and safety improvements on US 67 between US 61 and Buck Creek Road. Within the project limits, 14 bridges will be replaced, 12 bridges will be rehabilitated, and one new bridge will be added. The contract amount is $206.0 million,

and the project was awarded in July 2023. Construction began in February 2024, and the project is expected to be completed by July 2027.

- The Northwest Bridge Bundle project will improve 31 poor condition bridges in seven of the 20 Northwest District counties. The project has a budget of $30.0 million, was awarded in December 2023 and is expected to be completed by December 2026.
- While not a part of the General Revenue funded segment of the Improve I-70 Program, the Improve I-70 Kansas City Design-Build Project will be done in conjunction with the Improve I-70 Program projects. This project provides corridor improvements on I-70 from the Paseo Boulevard to US 40/31st Street, in western Jackson County. The project includes safety and reliability improvements; replacement or rehabilitation of worn-out infrastructure, including pavement and bridges; and upgrades to accessibility and connectivity for the local community. The project has a budget of $237.0 million. The project was awarded in August 2024 and has an expected completion date of Spring 2028.
- The Kaysinger Basin Bridge Bundle project will improve 20 poor condition bridges in seven counties in the Southwest District. The project was awarded in March 2025 and has a budget of $38.0 million. The project is expected to be completed by November 2027.
- As part of the fiscal year 2025 budget, the General Assembly and the Governor approved a total of $577.5 million to improve the I-44 corridor or the Forward 44 Program. Of the total amount, $213.75 million of General Revenue comes in the form of cash and spending authority. An additional $363.75 million of authority to spend bond proceeds was provided with debt service to be paid from General Revenue. Bond proceeds are not to exceed $363.75 million, annual debt service payments are not to exceed $44.0 million annually and the term of any bonds issued should not exceed 10 years. These funds will address some of the most critical improvements needed in the corridor. The projects included in the statewide program include:
  - The Greene County Route I-44 project includes replacing pavement and widening I-44 to 6 lanes between Missouri Route 13 (Kansas Expressway) to east of Route 65 including resurfacing existing lanes between Route 266 (Chestnut Expressway) to east of Route 160 (West Bypass). The project includes five individual projects bundled together with a total budget of $70.8 million. These projects were awarded in January 2025 and are expected to be completed by May 2027.
  - The Southwest I-44 Improvements project will improve safety and reliability, maintain the serviceability of bridges and pavement, and minimize overall traffic impacts at various locations along the I-44 corridor in the Southwest District. The total project budget is $470.9 million. The project was awarded in June 2026 and is expected to be completed by November 2031.
- The Clinton Route I-35 project replaces pavement from north of Shoal Creek to north of Route 116 near Lathrop. The project has a budget of $42.2 million. This project was awarded in November 2024 and is expected to be completed by September 2026.

- Building additions totaled $12.8 million, reflecting ongoing facility improvements and eight new building investments. Transfers of $15.2 million from construction in progress represent the completion of several facility projects that were placed into service during the year.
- During the year, the Department retired approximately $14.1 million of fully depreciated software assets that were no longer in use. This activity reflects a routine clean-up of legacy applications and does not represent the removal of any assets with remaining service potential.
- Vehicle and equipment additions totaled $67.3 million, primarily reflecting ongoing fleet replacements and routine equipment procurement. Retirements of $37.7 million represent the removal of older units that reached the end of their service lives. Transfers of $21.0 million from equipment in progress reflect completion of several multi-stage equipment purchases that were placed into service during the year.
- Completion of various infrastructure projects at a cost of $1.3 billion. Significant projects include:
  - The Safety Improvements Project in the St. Louis District will reduce fatal and serious injury crashes on roads in Jefferson County, St. Louis County and St. Louis City by making targeted safety improvements to roads. The projects had an estimated budget of $52.0 million, was awarded in January 2024, and was completed in June 2026.
  - Taney County Route 86 Long Creek Bridge project over Table Rock Lake will replace the existing Route 86 bridge, which has had to be closed periodically due to its condition. The project had a budget of $66.5 million and was completed in September 2025.
  - In February 2021, the Buck O'Neil Bridge replacement and interchange improvements was awarded. The project's budget totaled $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, opened fully to traffic in November 2024 and was completed in August 2025.
  - The I-70 INFRA Discretionary Grant improvements to the Lance Corporal Leon Deraps I-70 Missouri River (Rocheport) Bridge and Climbing Lanes at Mineola Hill started in fiscal year 2020. 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 was awarded in April 2020, cost $14.4 million and was completed in June of 2021. The bridge replacement with a $240.0 million budget was awarded in July 2021. This project replaced one interstate bridge over the Missouri River near Rocheport, Missouri with two new bridges and one interstate overpass at Route BB. Traffic was placed on the new bridges in December 2024 and the project was fully completed in July 2025.

Both leases and subscription-based information technology agreements (SBITAs) are intangible, right to use assets. The Department does not own these assets, but rather has the right to use them in operations, as specified in their respective contracts. When entering into a lease or SBITA contract, a liability is also recognized, which is included as part of long-term financings discussion below.

Additional information about the Department's capital assets is presented in the Notes to the Financial Statements.

Long-Term Financing

At the end of fiscal year 2026, the Department had total long-term financing liabilities of $2.1 billion. During fiscal year 2026, long-term financing liabilities, excluding pending self insurance claims, incurred but unreported claims, pension and other postemployment benefit obligations increased by $806.8 million. The following table presents a summary of the Department's long-term financing for governmental activities.

(Amounts in millions)	2026	2025	2024 (restated)	Percent Change 2026-2025
State road bonds	$ 1,842	$ 1,128	$ 1,506	63.3%
Premium on bonds	98	38	58	157.9
Advances from other entities	36	45	40	(20.0)
Lease obligations	6	6	6	---
Subscription obligations	2	2	4	---
Compensated absences	77	74	73	4.1
Other liabilities	2	1	1	100.0
Total obligations	2,063	1,294	1,688	59.4
Current portion of obligations	391	429	428	(8.9)
Total noncurrent obligations	$ 1,672	$ 865	$ 1,260	93.3%

At the end of the current fiscal year, state road bonds totaled $1.8 billion, or 89.3 percent, of the total obligations. These bonds are repaid from revenues authorized under Article IV, Sections 30(a) and 30(b) of the Missouri Constitution, along with federal highway reimbursements and legislative appropriations of General Revenue. These revenue sources include state highway user fees such as fuel taxes, sales taxes, licenses and fees, and federal reimbursements. Principal payments are due on various dates through fiscal year 2033. The Department completed two bond issuances during the year:

- On November 6, 2025, the Commission authorized the issuance of an estimated $481.8 million in State Appropriations Mega Projects State Road Bonds, Series A 2025, to finance a portion of the improve I-70 Program. The State Mega Appropriations Mega Projects lien is a bonding program that was created in October 2023 for those times when the General Assembly and the Governor decide to appropriate debt service from general revenue or another revenue source that is not the Road Fund or Road Bond Fund to fund transportation projects. On November 18, 2025, the Commission sold $481.8 million of bonds to get $517.3 million in proceeds. The bonds pay interest semiannually with a true-interest-cost of 2.568 percent. The bonds are due in annual installments beginning on May 1, 2026 and continuing through 2031. The bonds were issued with ratings of AA+, Aa1, and AA+ from S&P Global Ratings, Moody's Investor Services, Inc., and Fitch Ratings, Inc., respectively. The bonds are payable from and secured primarily from general revenue appropriated the legislature.
- On May 6, 2026, the Commission authorized the issuance of an estimated $609.0 million in Third Lien State Road Bonds, Series A 2026. On May 19, 2026, the Commission sold $608.5 million of bonds to get $650.0 million in proceeds. The bonds pay interest semiannually with a true-interest-cost of 2.970 percent. The bonds are due in annual installments beginning on May 1, 2027 and continuing through 2033. The bonds were issued with ratings of AA+, Aa1, and AAA from S&P Global Ratings, Moody's Investor Services, Inc., and Fitch Ratings, Inc., respectively. As state road bonds, the bonds are payable from and secured primarily by a third lien on revenues under Article IV, Section 30(b) of the Missouri Constitution.

The notes issued balance in the table above is for a loan from the Missouri Transportation Finance Corporation (MTFC). The MTFC loan was used to replace the Lance Corporal Leon Deraps I-70 Missouri River (Rocheport) Bridge and for the Climbing Lanes at Mineola Hill project. Principal payments on the current loan disbursement amount of $36.0 million are due in fiscal years 2027 through 2029.

At the end of fiscal year 2026, the Department had $6.2 million and $2.1 million in obligations for leasing and subscription-based information technology arrangements, respectively. Principal payments are due on various dates through fiscal year 2050.

Additional information about the Department's long-term obligations is presented in the Notes to the Financial Statements.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

In fiscal year 2026, the Department continued to see construction project bids come in below budgeted estimates, building on the positive trend seen in fiscal year 2025. The Department remains diligent in using a variety of innovative strategies to maximize the value of every tax dollar and reduce the effects of inflation and 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;
- design-build procurement;
- 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.

Even with the use of the tools listed above, because of inflation, the schedules for more than 114 projects needed to be adjusted in the 2027-2031 STIP. The total inflation impact to the 2027-2031 STIP totaled $65 million, which was similar to the impact in the 2026-2030 STIP.

Annually, the Department prepares a financial forecast that is used to develop its STIP. MoDOT's 2027-2031 STIP presents a multi-year plan that uses available cash balances to meet current federal funding investment levels and includes any General Assembly designated and funded projects approved by the Governor. With fewer General Assembly designated and funded projects approved this fiscal year, the result is a decrease in total construction awards. The funds available will be focused primarily on maintaining the current transportation system with several targeted investments. The financial forecast will be refreshed in the fall and will determine the projected awards for the upcoming years.

As these financial conditions guide project planning, the Department has outlined several larger projects scheduled for award in the coming year.

The Route 291 River Bridge will replace the northbound river bridge crossing the Missouri River and rehabilitate the southbound river bridge crossing in Jackson County. The project has a budget of $116.8 million and is scheduled to be awarded in December 2026, with completion date of December 2029.

Interstate 229 Corridor Project in Buchanan County will remove the existing bridge and construct new roadway from Highland Avenue to Route 36, rehabilitate the I-229 flyover to Route 36, and replace bridges along Route 36 over 6th Street and 9th Street. The total project budget is $121.0 million and it is scheduled to be awarded in fiscal year 2027.

In addition to the Improve I-70 projects previously described, the program includes several other planned improvements along the corridor:

- The I-70 Kingdom City to Warrenton project will add an additional lane to both eastbound and westbound I-70 for 44 miles. The project has an expected budget of $583.0 million. The project is scheduled to be awarded in November 2026 and is expected to be completed by December 2030.
- The I-70 Odessa to Concordia project will add an additional lane to both eastbound and westbound I-70 for 13 miles. The project has an expected budget of $163.0 million. The project is scheduled to be awarded in March 2027 and is expected to be completed by December 2030.
- The I-70 Concordia to Boonville project will add an additional lane to both eastbound and westbound I-70 for 42 miles. The project has an expected budget of $566.0 million. The project is scheduled to be awarded in May 2027 and is expected to be completed by December 2030.

In addition to the Forward 44 projects previously described, the program includes several other planned projects in fiscal year 2027:

- The Laclede County project will rebuild or resurface pavement from near Route F to near Route 133 and rehabilitate bridges over the Gasconade River Overflow and Bear Creek. The total project budgets are $80.1 million and are scheduled to be awarded in December 2026.

- The St. Louis County project will rebuild pavement from Route 109 to Route 141 and rehabilitate various bridges. The total project budgets are $67.3 million and are scheduled to be awarded in March 2027.

- The Franklin County project will improve the interchange and pavements at Route 50, the intersection at Route AT and Route 50 and various bridges. The total project budgets are $126.2 million and are scheduled to be awarded in April 2027.

- An additional Franklin County project improves pavements, signing, guardrail, and rest area/weigh scale/truck parking from the Crawford County line to east of Route 30. The total project budget is $25.2 million and is scheduled to be awarded in October 2026.

- The Phelps County project will rebuild pavement from Route 63 to Sugar Tree Road and construct capacity and safety improvements at the Route V interchange in Rolla and the Route 68 interchange in St. James. The total project budgets are $77.9 million and are scheduled to be awarded in May 2027.

The Department's fiscal year 2027 budget for all funds was approved by the Legislature in May 2026 and signed into law by the Governor in June 2026. 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 2026, with a total spending plan of $7.4 billion. The fiscal year 2027 budget is $533.5 million less than the fiscal year 2026 budget. The majority of the decrease is for reduced appropriations for the Improve I-70 Program for prior year expenditures.

During the 2024 legislative season, the Governor and Missouri General Assembly passed and signed Truly Agreed and Finally Passed House Bill 4. House Bill 4 authorized the Office of Administration and the Missouri Highways and Transportation Commission (Commission) to execute a financing agreement that the State will pledge sufficient general revenue funds to be the first recourse for payment of the debt service on Commission bonds issued to finance the planning, designing, right-of-way acquisition, constructing, reconstructing, rehabilitating, and significant repair of Interstate Highway 44 from Missouri Route T to Missouri Route 68, from US Route 160 to Missouri Route 125, and from 1-49 to Missouri Route 249 and rebuild pavement and improve the 1-44/Route 13 interchange and the 1-44/1-49 interchange and other 1-44 Tier 2 and Tier 3 projects listed on the unfunded needs list (the "Forward 44 Program"). The Department anticipates issuing approximately $350,065,000 in bonds to get proceeds of $363,750,000 in the fall of 2026 for the Forward 44 Program.

While the economic environment is still volatile, the bidding environment for fiscal year 2026 was better than it has been in recent years. Overall, construction prices did not increase significantly, and, because of better estimating, award prices came in below the programmed amounts for construction projects. During the previous five fiscal years, 2022-2026, STIP projects included 2,069 highway and bridge construction projects estimated at $9.1 billion were awarded for $9.3 billion, a 4.4 percent difference. By comparison, the fiscal year 2026 construction projects were estimated at $2.265 billion and were awarded at $2.119 billion, a negative 6.4 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.



This page intentionally left blank

Government-wide Financial Statements

Statements of Net Position

June 30, 2026 and 2025

	Governmental Activities	
	2026	2025 (restated)
Assets		
Current assets		
Cash and cash equivalents	$ 1,453,375,220	$ 288,490,174
Investments	1,669,408,326	1,812,300,583
Restricted cash and investments	200,000	200,000
State taxes and fees receivables	225,293,906	206,509,940
Federal government receivables	135,688,533	100,955,868
Interest receivable	14,830,816	12,006,963
Miscellaneous receivables, net	82,547,059	85,987,587
Lease receivable	780,180	583,934
Loans receivable	73,166	87,231
Inventories	68,730,284	58,094,305
Prepaid rents	4,074,792	2,927,465
Total current assets	3,655,002,282	2,568,144,050
Noncurrent assets		
Investments	75,578,382	59,192,863
Lease receivable	2,337,526	1,657,432
Loans receivable	11,419	84,584
Capital assets		
Assets not being depreciated	8,013,189,976	6,962,827,628
Assets being depreciated, net	29,062,225,338	28,351,388,557
Total noncurrent assets	37,153,342,641	35,375,151,064
Total assets	40,808,344,923	37,943,295,114
Deferred Outflows of Resources		
Bond refunding	---	687,095
Pension related items	229,631,468	328,491,847
Other postemployment benefits obligation	157,166,852	51,843,136
Asset retirement obligations	43,000	51,000
Total deferred outflows of resources	386,841,320	381,073,078
Liabilities		
Current liabilities		
Accounts payable	256,960,447	214,077,288
Accrued payroll	32,539,335	33,059,268
Accrued interest payable	20,196,080	9,139,168
Deposits	1,334,272	1,413,672
Unearned revenue	62,911,116	64,104,142
Pending self insurance claims	18,888,000	18,032,000
Incurred but not reported claims	23,876,000	20,446,000
Other postemployment benefits obligation	20,490,000	18,800,000
Financing and other obligations	390,700,379	428,727,359
Total current liabilities	827,895,629	807,798,897
Noncurrent liabilities		
Pending self insurance claims	31,795,253	32,958,403
Incurred but not reported claims	19,317,000	22,255,000
Net pension liability	605,542,550	798,398,557
Other postemployment benefits obligation	511,385,724	348,658,196
Financing and other obligations	1,671,721,596	864,943,695
Total noncurrent liabilities	2,839,762,123	2,067,213,851
Total liabilities	3,667,657,752	2,875,012,748
Deferred Inflows of Resources		
Lease revenues	3,117,706	2,241,366
Pension related items	215,845,080	187,821,067
Other postemployment benefits obligation	276,925,901	391,216,161
Total deferred inflows of resources	495,888,687	581,278,594
Net Position		
Net investment in capital assets	35,960,980,217	34,295,361,491
Restricted for:		
Internal service fund requirements set by legislation	200,000	200,000
Highways and transportation	1,070,459,587	572,515,359
Total net position	$ 37,031,639,804	$ 34,868,076,850

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

Statements of Activities

Years Ended June 30, 2026 and 2025

	Governmental Activities	
	2026	2025 (restated)
Transportation Program Expenses		
Administration	$ 7,076,206	$ 8,423,494
Fleet, facilities and information systems	35,672,535	38,788,250
Safety and operations	500,427,685	461,198,101
Program delivery	388,955,804	313,981,142
Multimodal operations	166,746,016	181,071,836
Interest	52,223,186	55,569,926
Other state agencies	330,941,289	312,578,936
Self insurance	27,490,592	25,071,098
Medical and life insurance	171,448,008	162,685,314
Pension	45,204,070	118,499,076
Other postemployment benefits	(33,737,762)	(76,532,730)
Depreciation	723,069,800	687,486,696
Total transportation program expenses	2,415,517,429	2,288,821,139
Transportation Program Revenues		
Charges for services		
Licenses, fees and permits	341,734,963	342,648,678
Intergovernmental/cost reimbursements/miscellaneous	114,786,336	113,339,342
Interest	27,787	(110,411)
Member insurance premiums	38,971,920	36,583,526
Total charges for services	495,521,006	492,461,135
Federal government		
American Recovery and Reinvestment Act	7,504,500	8,683,419
Operating	126,924,226	126,035,904
Capital	1,654,574,179	1,467,904,324
Total federal government	1,789,002,905	1,602,623,647
Total transportation program revenues	2,284,523,911	2,095,084,782
Net expense of transportation program revenues	(130,993,518)	(193,736,357)
General Revenues		
Fuel taxes	890,101,816	799,349,640
Sales taxes	500,580,757	474,332,341
Unrestricted investment earnings	85,878,588	117,745,272
Donated assets	112,369,892	54,708,066
State appropriations	707,057,183	555,926,467
Gain on lease modification	14,151	---
Loss on sale of capital assets	(1,445,915)	(1,519,202)
Total general revenues	2,294,556,472	2,000,542,584
Changes in Net Position	2,163,562,954	1,806,806,227
Net Position, beginning of year, as previously reported	34,868,076,850	33,049,712,751
Restatement of net position	---	11,557,872
Net Position, beginning of year, as restated	34,868,076,850	33,061,270,623
Net Position, end of year	$37,031,639,804	$34,868,076,850

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, 2026 and 2025

	2026				
	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 7,534,475	$ 1,327,967,686	$ 69,289,163	$ 31,289,752	$ 1,436,081,076
Investments	1,787,213	1,508,758,354	80,596,171	17,816,319	1,608,958,057
State taxes and fees receivables	172,693,559	28,279,874	23,121,340	1,199,133	225,293,906
Federal government receivables	---	135,613,379	---	75,154	135,688,533
Interest receivable	432,815	12,349,727	1,054,849	240,009	14,077,400
Miscellaneous receivables, net	6,864,370	55,294,443	---	17,042,704	79,201,517
Lease receivable	---	3,117,706	---	---	3,117,706
Loans receivable	---	---	---	84,585	84,585
Inventories	---	68,730,284	---	---	68,730,284
Prepaid rents	---	4,074,792	---	---	4,074,792
Total assets	$ 189,312,432	$ 3,144,186,245	$174,061,523	$ 67,747,656	$ 3,575,307,856
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 4,919,850	$ 232,422,536	$ ---	$ 19,551,342	$ 256,893,728
Accrued payroll	11,016,274	21,250,901	---	272,160	32,539,335
Deposits	---	1,334,272	---	---	1,334,272
Unearned revenue	---	53,123,000	---	1,426,145	54,549,145
Total liabilities	15,936,124	308,130,709	---	21,249,647	345,316,480
Deferred Inflows of Resources					
Lease revenues	---	3,117,706	---	---	3,117,706
Unavailable revenues	6,788,420	45,740,995	107,714	---	52,637,129
Total deferred inflows of resources	6,788,420	48,858,701	107,714	---	55,754,835
Fund balances					
Nonspendable – inventories and prepaid rents	---	72,805,076	---	---	72,805,076
Unassigned	---	---	---	(181,269)	(181,269)
Restricted – highways and transportation	166,587,888	2,714,391,759	173,953,809	46,679,278	3,101,612,734
Total fund balances	166,587,888	2,787,196,835	173,953,809	46,498,009	3,174,236,541
Total liabilities, deferred inflows of resources and fund balances	$ 189,312,432	$ 3,144,186,245	$174,061,523	$ 67,747,656	$ 3,575,307,856

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

2025				
State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 1,962,055	$ 229,537,105	$ 15,572,731	$ 25,161,382	$ 272,233,273
16,320,982	1,570,115,466	129,538,411	20,486,761	1,736,461,620
163,528,498	24,508,363	17,640,026	833,053	206,509,940
---	92,642,411	---	8,313,457	100,955,868
372,553	10,038,082	1,052,218	203,040	11,665,893
5,764,973	66,707,318	---	11,083,047	83,555,338
---	2,241,366	---	---	2,241,366
---	---	---	171,815	171,815
---	58,094,305	---	---	58,094,305
---	2,927,465	---	---	2,927,465
$ 187,949,061	$ 2,056,811,881	$ 163,803,386	$ 66,252,555	$ 2,474,816,883
$ 3,938,174	$ 190,557,813	$ ---	$ 19,434,774	$ 213,930,761
10,960,252	21,918,660	---	180,356	33,059,268
---	1,413,672	---	---	1,413,672
---	54,736,643	---	1,473,893	56,210,536
14,898,426	268,626,788	---	21,089,023	304,614,237
---	2,241,366	---	---	2,241,366
5,689,023	16,646,288	142,912	---	22,478,223
5,689,023	18,887,654	142,912	---	24,719,589
---	61,021,770	---	---	61,021,770
---	---	---	(470,393)	(470,393)
167,361,612	1,708,275,669	163,660,474	45,633,925	2,084,931,680
167,361,612	1,769,297,439	163,660,474	45,163,532	2,145,483,057
$ 187,949,061	$ 2,056,811,881	$ 163,803,386	$ 66,252,555	$ 2,474,816,883

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, 2026 and 2025

	Total	
	2026	**2025 (restated)**
Fund balances – total governmental funds	$ 3,174,236,541	$ 2,145,483,057
Amounts reported for governmental activities in the statements of net position are different because:		
Capital assets, net of accumulated depreciation of $29,638,780,761 and $29,051,861,603 in 2026 and 2025, respectively, used in governmental activities are not financial resources, and therefore, are not reported in the funds.	37,075,415,314	35,314,216,185
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.	---	687,095
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.	52,637,129	22,478,223
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	27,241,707	28,600,542
Self insurance plan	28,075,103	24,025,216
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	13,786,388	140,670,780
Other postemployment benefits obligations	(119,759,049)	(339,373,025)
Asset retirement obligations	43,000	51,000
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	(2,062,421,975)	(1,293,671,054)
Net pension liability	(605,542,550)	(798,398,557)
Other postemployment benefits obligations	(531,875,724)	(367,458,196)
Accrued interest payable	(20,196,080)	(9,139,168)
Arbitrage payable	---	(95,248)
Total net position – governmental activities	$ 37,031,639,804	$ 34,868,076,850

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

Statements of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Years Ended June 30, 2026 and 2025

	2026				
	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Fuel taxes	$ 889,704,966	$ 127,252	$ ---	$ 269,598	$ 890,101,816
Sales taxes	2,485,274	239,620,797	246,176,955	12,297,731	500,580,757
Licenses, fees and permits	220,139,048	117,925,218	---	3,667,697	341,731,963
Intergovernmental/cost reimbursements/miscellaneous	9,066,439	61,214,618	---	4,469,394	74,750,451
Investment earnings	2,641,529	67,847,809	8,033,099	1,345,013	79,867,450
American Recovery and Reinvestment Act	---	---	7,504,500	---	7,504,500
State government	---	331,587,898	---	375,469,285	707,057,183
Federal government	---	1,654,575,914	---	126,924,226	1,781,500,140
Total revenues	1,124,037,256	2,472,899,506	261,714,554	524,442,944	4,383,094,260
Expenditures					
Administration	---	62,407,335	---	---	62,407,335
Fleet, facilities and information systems	---	46,696,504	---	---	46,696,504
Safety and operations	---	575,206,962	---	32,992,732	608,199,694
Program delivery	---	424,916,058	---	22,271,280	447,187,338
Multimodal operations	---	1,269,803	---	167,011,538	168,281,341
Capital outlay	424,283	2,259,594,625	---	119,327,136	2,379,346,044
Debt service - principal	732,629	183,395,794	204,175,000	---	388,303,423
Debt service - interest	199,359	12,305,744	47,246,219	---	59,751,322
Other state agencies	372,680,408	---	---	---	372,680,408
Total expenditures	374,036,679	3,565,792,825	251,421,219	341,602,686	4,532,853,409
Excess of revenues over (under) expenditures	750,000,577	(1,092,893,319)	10,293,335	182,840,258	(149,759,149)
Other Financing Sources (Uses)					
Notes issued	---	---	---	---	---
Bonds issued	---	1,090,300,000	---	---	1,090,300,000
Premium on bonds	---	79,274,921	---	---	79,274,921
Leases	424,283	64,029	---	---	488,312
SBITAs	---	2,809,267	---	---	2,809,267
Capital asset sales	---	5,640,133	---	---	5,640,133
Transfers in	---	932,704,365	---	14,181,960	946,886,325
Transfers out	(751,198,584)	---	---	(195,687,741)	(946,886,325)
Total other financing sources (uses)	(750,774,301)	2,110,792,715	---	(181,505,781)	1,178,512,633
Net Changes in Fund Balances	(773,724)	1,017,899,396	10,293,335	1,334,477	1,028,753,484
Fund Balances, beginning of year	167,361,612	1,769,297,439	163,660,474	45,163,532	2,145,483,057
Fund Balances, end of year	$ 166,587,888	$ 2,787,196,835	$173,953,809	$ 46,498,009	$ 3,174,236,541

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

2025				
State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 798,972,913	$ 114,488	$ ---	$ 262,239	$ 799,349,640
2,194,701	227,189,552	233,367,486	11,580,602	474,332,341
223,312,758	115,674,646	---	3,661,274	342,648,678
6,188,787	92,268,669	---	2,595,673	101,053,129
2,583,183	96,930,091	8,946,430	1,240,314	109,700,018
---	3,017,597	5,665,822	---	8,683,419
---	173,874,598	---	382,051,869	555,926,467
---	1,472,478,443	---	126,067,904	1,598,546,347
1,033,252,342	2,181,548,084	247,979,738	527,459,875	3,990,240,039
---	62,657,022	---	---	62,657,022
---	51,312,588	---	---	51,312,588
---	562,297,883	---	27,305,962	589,603,845
---	364,236,764	---	13,629,153	377,865,917
---	911,229	---	182,022,920	182,934,149
2,155,239	1,854,976,187	---	115,391,373	1,972,522,799
1,803,406	199,662,228	189,180,000	---	390,645,634
200,615	28,155,426	49,026,956	---	77,382,997
350,280,809	---	---	---	350,280,809
354,440,069	3,124,209,327	238,206,956	338,349,408	4,055,205,760
678,812,273	(942,661,243)	9,772,782	189,110,467	(64,965,721)
---	13,276,025	---	---	13,276,025
---	---	---	---	---
---	---	---	---	---
2,155,239	---	---	---	2,155,239
---	150,172	---	---	150,172
---	5,367,056	---	---	5,367,056
---	846,853,680	---	11,271,960	858,125,640
(668,828,975)	---	---	(189,296,665)	(858,125,640)
(666,673,736)	865,646,933	---	(178,024,705)	20,948,492
12,138,537	(77,014,310)	9,772,782	11,085,762	(44,017,229)
155,223,075	1,846,311,749	153,887,692	34,077,770	2,189,500,286
$ 167,361,612	$ 1,769,297,439	$163,660,474	$ 45,163,532	$ 2,145,483,057

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, 2026 and 2025

	2026	2025 (restated)
Net changes in fund balances – total governmental funds	$ 1,028,753,484	$ (44,017,229)
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 ($2,491,715,936 and $2,028,117,115 (as restated) for 2026 and 2025, respectively, exceed depreciation ($723,069,800 and $687,486,696 for 2026 and 2026, respectively) in the current period.	1,768,646,136	1,340,631,419
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.	(7,447,007)	(6,886,258)
Certain revenues in the statements of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	30,158,906	(2,556,487)
Certain pension related expenses, not applicable to the current period, are reported as deferred outflows of resources in the government-wide financial statements.	111,175,686	151,454,465
Certain OPEB related expenses, not applicable to the current period, are reported as deferred outflows of resources in the government-wide financial statements.	21,458,686	19,809,138
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	388,303,423	390,645,634
Lease modifications	375,110	---
Bonds issued	(1,090,300,000)	---
Notes payable issued	---	(13,276,025)
Leases issued	(488,312)	(2,155,239)
SBITAs issued	(2,809,267)	(150,172)
Bond premium	(79,274,921)	---
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	(2,924,912)	(893,323)
Interest expense recognition	7,528,136	21,813,070
Claims and judgments	(912,186)	(80,000)
Pension expense	(45,204,070)	(118,499,076)
Other postemployment benefits obligations	33,737,762	76,532,730
The elimination of payables that were previously recorded	95,248	476,000
Arbitrage payable	---	(95,248)
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	(1,358,835)	(6,032,922)
Self insurance plan	4,049,887	85,750
Changes in net position – governmental activities	$ 2,163,562,954	$ 1,806,806,227

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

Statements of Net Position

Proprietary Funds

June 30, 2026 and 2025

	Internal Service Funds	
	2026	2025 (restated)
Assets		
Current assets		
Cash and cash equivalents	$ 17,294,144	$ 16,256,901
Investments	60,450,269	75,838,963
Restricted investments	200,000	200,000
Interest receivable	753,416	341,070
Miscellaneous receivables	3,345,542	2,432,249
Total current assets	82,043,371	95,069,183
Noncurrent assets		
Investments	75,578,382	59,192,863
Total noncurrent assets	75,578,382	59,192,863
Total assets	157,621,753	154,262,046
Liabilities		
Current liabilities		
Accounts payable	66,719	51,279
Unearned revenue	8,361,971	7,893,606
Pending self insurance claims	18,888,000	18,032,000
Incurred but not reported claims	23,876,000	20,446,000
Total current liabilities	51,192,690	46,422,885
Noncurrent liabilities		
Pending self insurance claims	31,795,253	32,958,403
Incurred but not reported claims	19,317,000	22,255,000
Total noncurrent liabilities	51,112,253	55,213,403
Total liabilities	102,304,943	101,636,288
Net Position		
Restricted net position	200,000	200,000
Unrestricted net position	55,116,810	52,425,758
Total net position	$ 55,316,810	$ 52,625,758

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

Statements of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Years Ended June 30, 2026 and 2025

	Internal Service Funds	
	2026	**2025 (restated)**
Operating Revenues		
Self insurance premiums		
Highway workers' compensation	$ 11,697,141	$ 9,000,000
Highway patrol workers' compensation	3,000,000	3,000,000
Highway fleet vehicle liability	3,000,000	3,000,000
Highway general liability	9,000,000	4,000,003
Medical insurance premiums		
State	120,132,646	107,953,031
Member	38,971,920	36,583,526
Other	9,908,330	10,126,009
Total operating revenues	195,710,037	173,662,569
Operating Expenses		
Self insurance programs		
Highway workers' compensation	12,211,587	7,680,749
Highway patrol workers' compensation	5,689,418	3,166,196
Highway fleet vehicle liability	2,100,428	1,324,964
Highway general liability	6,450,469	11,893,252
Other	1,038,690	1,005,937
Medical and life insurance program		
Insurance premiums	8,352,960	8,097,759
Medical benefits	113,754,242	110,717,661
Prescription drug benefits	29,328,889	31,118,887
Professional fees	468,944	386,847
Administrative services	19,542,973	12,364,160
Total operating expenses	198,938,600	187,756,412
Operating loss	(3,228,563)	(14,093,843)
Nonoperating Revenues		
Net appreciation and investment income	5,919,615	8,146,671
Total nonoperating revenues	5,919,615	8,146,671
Changes in Net Position	2,691,052	(5,947,172)
Net Position, beginning of year, as previously reported	52,625,758	47,015,058
Restatement of net position	---	11,557,872
Net Position, beginning of year, as restated	52,625,758	58,572,930
Net Position, end of year	$ 55,316,810	$ 52,625,758

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

Statements of Cash Flows

Proprietary Funds

Years Ended June 30, 2026 and 2025

	Internal Service Funds	
	2026	2025 (restated)
Cash Flows From Operating Activities		
Receipts from interfund services provided	$ 194,796,744	$ 175,056,274
Payments for interfund services used	(177,234,778)	(172,984,068)
Payments to suppliers	(21,035,165)	(13,720,863)
Net cash used in operating activities	(3,473,199)	(11,648,657)
Cash Flows From Investing Activities		
Proceeds from sale and maturities of investments	284,325,183	223,229,534
Purchases of investments	(282,947,753)	(221,226,113)
Interest received	3,299,178	3,866,973
Investment fees	(166,166)	(130,707)
Net cash provided by investing activities	4,510,442	5,739,687
Net increase (decrease) in cash and cash equivalents	1,037,243	(5,908,970)
Cash and Cash Equivalents, beginning of year	16,256,901	22,165,871
Cash and Cash Equivalents, end of year	$ 17,294,144	$ 16,256,901
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	$ (3,228,563)	$ (14,093,843)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities		
Receivables	(913,293)	1,393,705
Accounts and claims payable	200,290	1,025,273
Unearned revenue	468,365	26,208
Net cash used in operating activities	$ (3,473,201)	$ (11,648,657)
Noncash Items Impacting Recorded Assets		
Increase in fair value of investments	$ 2,374,259	$ 4,484,131

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

Statements of Fiduciary Net Position

Fiduciary Funds

June 30, 2026 and 2025

	Custodial Funds	
	2026	**2025**
Assets		
Cash and cash equivalents	$3,823,585	$4,226,494
Miscellaneous receivables, net	575,123	552,838
Total assets	$4,398,708	$4,779,332
Liabilities		
Deposits	$ 909,823	$ 806,984
Due to Non-MoDOT state funds	575,123	552,838
Due to other jurisdictions	2,913,762	3,419,510
Total liabilities	$4,398,708	$4,779,332
Net Position	$ ---	$ ---

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

Statements of Changes in Fiduciary Net Position

Fiduciary Funds

Years Ended June 30, 2026 and 2025

	Custodial Funds	
	2026	2025
Additions		
Licenses, fees and permit collections for other governments	$ 75,210,598	$ 76,217,457
Fuel taxes for other governments	44,348,452	45,976,238
Carrier refunds	2,127,366	3,103,478
Total additions	121,686,416	125,297,173
Deductions		
Licenses, fees and permit collections due to other governments	75,210,598	76,217,457
Fuel taxes due to other governments	44,348,452	45,976,238
Carrier refunds	2,127,366	3,103,478
Total deductions	121,686,416	125,297,173
Net increase (decrease) in Fiduciary Net Position	---	---
Net Position, beginning of year	---	---
Net Position, end of year	$ ---	$ ---

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

Notes to the Financial Statements



This page intentionally left blank

INDEX FOR THE NOTES TO THE FINANCIAL STATEMENTS

For the Years Ended June 30, 2026 and 2025

	Page
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	64
Note 3 – Receivables	68
Note 4 – Leases	70
Note 5 – Subscription-Based Information Technology Arrangements	71
Note 6 – Capital Assets	72
Note 7 – Risk Management	74
(A) Workers' Compensation, Vehicle and General Liabilities	
(B) Other Claims	
Note 8 – Medical and Life Insurance Plan	75
Note 9 – Pension Plan	75
(A) General Information about the Pension Plan	
(B) Actuarial Information	
(C) Liabilities, Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	
Note 10 – Other Postemployment Benefits (OPEB)	78
(A) General Information about the OPEB Plan	
(B) Actuarial Information	
(C) Liabilities, Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	
(D) OPEB Expense/(Benefit) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB	
Note 11 – Financing and Other Obligations	81
(A) State Road Bonds	
(B) Notes Issued	
(C) Pollution Remediation Obligations	
Note 12 – Tax Revenues	86
Note 13 – Interfund Transactions	87
Note 14 – Commitments and Contingencies	87
(A) Unemployment Benefits	
(B) Construction Commitments	
(C) Federal Funding	
Note 15 – Accounting Pronouncements	87
Note 16 – Restatement	88
Note 17 – Subsequent Events	89

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 over dimension 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.oa.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 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 and investments include:

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

Repurchase agreements, certificates of deposit, and overnight commercial paper held by the State Treasurer's Office are reported at amortized cost. All other investments are reported 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 $5,000 for equipment and 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, equipment in progress and infrastructure in progress. Generally, estimated useful lives are as follows:

Equipment and vehicles	1 to 20 years
Buildings and other improvements	10 to 50 years
Infrastructure	12 to 57 years
Software	5 years
Temporary Easements	3 years

5. Leasing Arrangements

The Department is a lessee for noncancellable leases of land, buildings, equipment and information technology (IT) infrastructure. The Department recognizes lease liabilities for contracts with $5,000 or more in total future lease payments. For arrangements where the Department is a lessee, a lease liability and a right to use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the Department's right to use an underlying asset for the lease term and lease liabilities represent the Department's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made and the RTU assets are amortized on a straight-line basis over its useful life.

The Department monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. The associated assets are reported with capital assets and the lease liabilities are reported with long-term debt on the statement of net position.

Fund statements report an expenditure and other financing source in the period the lease is initially recognized. The expenditure and other financing source are measured as noted in the previous paragraph. Subsequent governmental fund lease payments are accounted for consistent with principles of debt service payments on long-term debt.

The Department is a lessor for noncancellable leases of building space and right of way land. For arrangements in which the Department is the lessor, a lease receivable and a deferred inflow of resources are recognized at the commencement of the noncancellable lease term on both the department-wide and fund statements. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term related to future periods. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The Department monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The Department uses the average interest rate from the Missouri Highways and Transportation Commission's outstanding bonds as of June 30 when the implicit rate in the lease is not known for all leases managed by the Department. For leases managed by other state agencies in the State Highways and Transportation Department Fund, the average interest rate of all outstanding bonds for the state of Missouri as of June 30 is used when the implicit rate is unknown. The Department includes lease extension and termination options in the lease term if, after considering relevant economic factors, it is reasonably certain the Department will exercise the option for all leases. The Department has not recognized RTU assets and lease liabilities for leases with terms 12 months or less.

6. 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 consist 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 consist 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 include federal reimbursements, cost reimbursements, other miscellaneous receivables and leases. 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, and leases.

7. 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.

8. Compensated Absences

Under the Department's personnel policy, employees accrue 10 to 14 hours of annual leave, depending on years of service, and 10 hours of sick leave per month. Certain employees are also eligible to accrue up to 240 hours of compensatory time for unpaid overtime.

Employees had accrued annual leave and compensatory time totaling $40,800,827 and $40,279,209 as of June 30, 2026 and 2025, respectively. These amounts are recorded in the government-wide financial statements.

Employees had accrued sick leave balances of $90,551,557 and $91,127,249 as of June 30, 2026 and 2025, respectively. Of these amounts, $35,777,919 and $33,407,799, respectively, are considered more likely than not to be used for time off; therefore, these are recorded as liabilities in the government-wide financial statements.

In addition, shared leave and parental leave balances that are more likely than not to be used are also included in the compensated absences liability. As of June 30, 2026 and 2025, shared leave liabilities totaled $37,887 and $27,831, respectively, while parental leave liabilities totaled $46,437 and $23,319, respectively. These balances are evaluated based on historical usage patterns and current policy provisions.

9. 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.

10. 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.

11. 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 $43,000 and $51,000 as of June 30, 2026 and 2025, 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 an anticipated useful life of 15 years.

12. 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.

13. 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.

14. Fund Balances

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

Nonspendable – This consists of State Road Fund balances of $72,805,076 and $61,021,770 at June 30, 2026 and 2025, respectively, representing prepaid rent on leases and subscriptions and inventories held.

Unassigned – The deficit fund balance in the Multimodal Federal Fund totaling $181,269 and $470,393 as of June 30, 2026 and 2025, respectively, consists of monies related to federal funds that have been provided by local entities specifically to be used for 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 $3,101,612,734 and $2,084,931,680 at June 30, 2026 and 2025, respectively, were restricted by enabling legislation.

15. 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, 2026 and 2025 (as restated), $1,070,659,587 and $572,715,359, 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. There is no unrestricted net position as of June 30, 2026 and 2025.

16. 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, as well as investment amounts, are 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 the State Treasury. At June 30, 2026 and 2025, the Department's portfolio of non-pooled funds had $136,228,651 and $135,231,826, respectively, of uninsured, unregistered investments held in the Commission's or State's name.

At June 30, 2026 and 2025, the Department had cash on hand of funds held at the State Treasury of $1,399,798,541 and $231,494,925, respectively, and bank balances of $889,951,607 and $246,940,727, respectively. At June 30, 2026 and 2025, the Department had cash on hand with banks outside of the State Treasury of $57,400,264 and $61,221,743, respectively, and bank balances of $64,644,405 and $74,000,362, respectively.

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 3.5 years and holding at least 30.0 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, 2026 and June 30, 2025, the total non-pooled investments of $65,559,151 and $82,000,116, 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, 2026 and 2025, 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, 2026, the Department's cash and investments consisted of the following:

	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Funds	Internal Service Funds	Fiduciary Funds
Cash and investments:						
Cash and investments pooled in the State Treasury	$ ---	$ ---	$ ---	$29,215,617	$ ---	$ ---
Cash deposited with banks	---	36,282,535	---	---	20,121,794	---
U.S. agency obligations	1,369,832	1,156,406,807	61,773,948	14,356,688	65,559,151	---
U.S. Treasury obligations	863,011	728,550,888	38,918,367	2,094,130	70,469,500	---
Repurchase agreements	961,860	811,998,564	43,376,048	4,399,518	---	---
Certificates of deposit	---	---	---	---	---	---
Commercial paper	---	---	---	---	---	---
Total	$ 3,194,703	$ 2,733,238,794	$144,068,363	$50,065,953	$156,150,445	$ ---
Restricted assets:						
Cash and investments pooled in the State Treasury	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---
Cash and investments pooled with the Mo. Dept. of Revenue	---	---	---	---	---	8,240,076
U.S. Treasury obligations	---	---	---	---	200,000	---
Certificate of deposit	---	---	---	---	---	---
Total	$ ---	$ ---	$ ---	$ ---	$ 200,000	$ 8,240,076

At June 30, 2025, the Department's cash and investments consisted of the following:

	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Funds	Internal Service Funds	Fiduciary Funds
Cash and investments:						
Cash in the State Treasury	$ 207,489	$ 19,960,989	$ 1,646,831	$24,450,608	$ ---	$ ---
Cash deposited with banks	---	40,738,348	---	---	23,215,592	---
U.S. agency obligations	12,004,562	1,154,866,041	95,279,306	15,555,911	82,000,116	---
U.S. Treasury obligations	3,658,874	351,992,002	29,040,211	2,121,318	53,031,710	---
Repurchase agreements	1,402,867	134,958,977	11,134,450	2,682,882	---	---
Certificates of deposit	---	---	---	---	---	---
Commercial paper	468,058	45,028,222	3,714,940	1,284,414	---	---
Total	$ 17,741,850	$ 1,747,544,579	$140,815,738	$46,095,133	$158,247,418	$ ---
Restricted assets:						
Cash and investments pooled in the State Treasury	$ ---	$ ---	$ ---	$ ---	$ ---	$ ---
Cash and investments pooled with the Mo. Dept. of Revenue	---	---	---	---	---	10,046,422
U.S. Treasury obligations	---	---	---	---	200,000	---
Certificate of deposit	---	---	---	---	---	---
Total	$ ---	$ ---	$ ---	$ ---	$ 200,000	$10,046,422

The tables above represent the bank value of deposits; whereas, the cash and cash equivalent amounts presented in the financial statements represent the carrying value of deposits. The investment balances in the table above represent all investments, including investments with an original maturity of 92 days or less.

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. Repurchase agreements and certificates of deposit are reported at amortized cost, and are not measured at fair value. Therefore, they are not categorized within the fair value hierarchy.

At June 30, 2026, the Department's investments held in depository banks and allocation of State Treasurer's Office pooled funds have the following maturities:

		Investment Maturities (in years)			Fair Value Measurements	
Investment by Type	**Total Investments**	**Less than 1 year**	**1-5 years**	**6-10 years**	**Level 1**	**Level 2**
Repurchase agreements	$ 860,735,990	$ 860,735,990	$ ---	$ ---	$ ----	$ ---
U.S. Treasury obligations	841,095,896	802,039,693	39,056,203	---	70,699,500	770,426,396
U.S. agency obligations	1,299,466,426	262,626,851	1,034,425,696	2,413,879	---	1,299,466,426
	$ 3,001,298,312	$ 1,925,402,534	$ 1,073,481,899	$ 2,413,879	$ 70,699,500	$ 2,069,892,822

At June 30, 2025, the Department's investments held in depository banks and allocation of State Treasurer's Office pooled funds have the following maturities:

		Investment Maturities (in years)			Fair Value Measurements	
Investment by Type	**Total Investments**	**Less than 1 year**	**1-5 years**	**6-10 years**	**Level 1**	**Level 2**
Repurchase agreements	$ 150,179,176	$ 150,179,176	$ ---	$ ---	$ ----	$ ---
U.S. Treasury obligations	440,044,115	361,387,363	78,656,752	---	53,231,710	386,812,405
U.S. agency obligations	1,359,705,936	655,156,787	701,453,622	3,095,527	---	1,359,705,936
Commercial paper	50,495,634	50,495,634	---	---	---	50,495,634
	$ 2,000,424,861	$ 1,217,218,960	$ 780,110,374	$ 3,095,527	$ 53,231,710	$ 1,797,013,975

At June 30, 2026, the Department's investments held in depository banks and allocation of State Treasurer's Office pooled funds have the following ratings:

	Rating		
Investment by Type	**Moody's**	**S&P**	**Total Investments**
Repurchase agreements	Unrated	Unrated	$ 860,735,990
U.S. Treasury obligations	Aaa	AA+	572,899,120
U.S. Treasury obligations	Unrated	AAA	197,527,276
U.S. Treasury obligations	Aa1	Unrated	1,982,850
U.S. Treasury obligations	Aaa	Unrated	8,006,180
U.S. Treasury obligations	Unrated	Unrated	60,680,470
U.S. agency obligations	Aaa	AA+	963,270,131
U.S. agency obligations	Aaa	AAA	274,145
U.S. agency obligations	Aa1	AA+	20,919,170
U.S. agency obligations	Unrated	AA+	2,000,290
U.S. agency obligations	Unrated	Unrated	313,002,690
			$ 3,001,298,312

At June 30, 2025, the Department's investments held in depository banks and allocation of State Treasurer's Office pooled funds have the following ratings:

	Rating		
Investment by Type	**Moody's**	**S&P**	**Total Investments**
Repurchase agreements	Unrated	Unrated	$ 150,179,176
U.S. Treasury obligations	Aaa	AA+	398,265,246
U.S. Treasury obligations	Unrated	Unrated	41,778,869
U.S. agency obligations	Aaa	AA+	1,252,364,602
U.S. agency obligations	Unrated	Unrated	107,341,334
Commercial paper	P-1	A-1+	50,495,634
			$ 2,000,424,861

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 $229,780 and $144,420 at June 30, 2026 and 2025, 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, 2026 for the government's individual major funds, nonmajor funds and internal service funds were as follows (continued on next page):

	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Funds
State taxes and fees	$ 172,693,559	$ 28,279,874	$23,121,340	$ 1,199,133
Federal government	---	135,613,379	---	75,154
Interest	432,815	12,349,727	1,054,849	240,009
Miscellaneous:				
Reimbursements	6,864,370	55,294,443	---	17,042,704
Contributions	---	---	---	---
Total miscellaneous	6,864,370	55,294,443	---	17,042,704
Leases	---	3,117,706	---	---
Loans	---	---	---	84,585
Total receivables	$ 179,990,744	$234,655,129	$24,176,189	$18,641,585

Receivables at June 30, 2025 for the government's individual major funds, nonmajor funds and internal service funds were as follows (continued on next page):

	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Funds
State taxes and fees	$ 163,528,498	$ 24,508,363	$17,640,026	$ 833,053
Federal government	---	92,642,411	---	8,313,457
Interest	372,553	10,038,082	1,052,218	203,040
Miscellaneous:				
Reimbursements	5,764,973	66,707,318	---	11,083,047
Contributions	---	---	---	---
Total miscellaneous	5,764,973	66,707,318	---	11,083,047
Leases	---	2,241,366	---	---
Loans	---	---	---	171,815
Total receivables	$ 169,666,024	$196,137,540	$18,692,244	$20,604,412

Internal Service Funds	Total	Due Within One Year
$ ---	$225,293,906	$225,293,906
---	135,688,533	135,688,533
753,416	14,830,816	14,830,816
---	79,201,517	79,201,517
3,345,542	3,345,542	3,345,542
3,345,542	82,547,059	82,547,059
---	3,117,706	780,180
---	84,585	73,166
$4,098,958	$461,562,605	$459,213,660

Internal Service Funds	Total	Due Within One Year
$ ---	$206,509,940	$206,509,940
---	100,955,868	100,955,868
341,070	12,006,963	12,006,963
---	83,555,338	83,555,338
2,432,249	2,432,249	2,432,249
2,432,249	85,987,587	85,987,587
---	2,241,366	583,934
---	171,815	87,231
$2,773,319	$407,873,539	$406,131,523

Note 4: Leases

(A) Lessee

The Department and/or other state agencies who utilize the State Highways and Transportation Fund have entered into lease arrangements for 40 radio communication towers (IT infrastructure), 2 buildings, and 9 parcels of land at June 30, 2026. The lease contracts expire at various dates through 2050, assuming that all renewal options are exercised. The right to use assets are intangible assets and are recorded in capital assets as right-to-use building, land, and IT infrastructure assets as noted in Footnote 6. Additionally, the department has entered into various short-term leases. A short-term lease is a lease that has a maximum possible term of 12 months or less, including any options to extend. The Department recognizes short-term lease payments as outflows of resources (expenditures) and as an asset if the subscription payments are made in advance. During fiscal year 2026, the Department and/or other state agencies paid $743,677 in lease payments.

Future minimum lease payments required under the lease arrangements at June 30, 2026 were as follows:

Fiscal Year	Principal Due	Interest Due	Total Due
2027	$ 772,545	$ 175,525	$ 948,070
2028	494,443	154,105	648,548
2029	435,284	138,526	573,810
2030	411,316	124,404	535,720
2031	357,084	111,515	468,599
2032-2036	1,403,758	410,923	1,814,681
2037-2041	1,066,182	197,084	1,263,266
2042-2046	319,943	80,451	400,394
2047-2050	309,800	22,270	332,070
	$5,570,355	$1,414,803	$6,985,158

(B) Lessor

The Department has entered into arrangements to lease 29 parcels of land and seven buildings owned by the Department. The lease contracts expire at various dates through fiscal year 2043, assuming that all renewal options are exercised by the lessee. During fiscal year 2026, the Department received $743,363 in lease revenue.

The following is an analysis of future minimum lease revenue due under the lease arrangements:

Fiscal Year	Principal Due	Interest Due	Total Due
2027	$ 780,180	$ 80,057	$ 860,237
2028	703,664	59,118	762,782
2029	564,402	39,925	604,327
2030	374,785	26,555	401,340
2031	186,870	16,651	203,521
2032-2036	281,415	52,906	334,321
2037-2041	157,199	23,051	180,250
2042-2043	69,191	2,909	72,100
	$3,117,706	$ 301,172	$3,418,878

Note 5: Subscription-Based Information Technology Arrangements

The Department has entered into 19 subscription-based information technology arrangements (SBITA) for various cloud-based computing arrangements. The SBITA contracts expire at various dates through 2031, assuming all renewal options are exercised, but the final required payment for certain arrangements are due in 2030. The right to use intangible assets are recorded as capital assets as noted in Footnote 6. Additionally, the department has entered into various short-term SBITAs. A short-term SBITA is a SBITA that has a maximum possible term of 12 months or less, including any options to extend. The Department recognizes short-term subscription payments as outflows of resources (expenditures) and as an asset if the subscription payments are made in advance. During fiscal year 2026, the Department paid $2,882,512 in subscription payments.

Future minimum subscription payments required under the SBITA arrangements at June 30, 2026 were as follows:

Fiscal Year	Principal Due	Interest Due	Total Due
2027	$ 987,684	$ 59,411	$1,047,095
2028	751,112	30,357	781,469
2029	131,800	8,000	139,800
2030	135,741	4,059	139,800
	$2,006,337	$ 101,827	$2,108,164

Note 6: Capital Assets

Changes in capital assets for the year ended June 30, 2026 are summarized below:

	Beginning Balance (restated)	Additions	Deletions/ Retirements	Transfers	Ending Balance
Nondepreciable capital assets					
Land and permanent easements	$ 2,646,404,150	$ 3,764,965	$ 1,328,729	$ 5,383,914	$ 2,654,224,300
Equipment in progress	35,451,124	33,690,927	---	(20,995,041)	48,147,010
Software in progress	1,471,043	1,085,697	---	(1,832,357)	724,383
Construction in progress	78,507,910	26,158,755	---	(20,551,261)	84,115,404
Infrastructure in progress	4,200,993,401	2,339,905,378	---	(1,314,919,900)	5,225,978,879
Total nondepreciable capital assets	6,962,827,628	2,404,605,722	1,328,729	(1,352,914,645)	8,013,189,976
Depreciable/amortizable capital assets					
Land improvements	30,588,997	736,442	829,889	51,224	30,546,774
Land – Right to use	1,244,570	---	23,279	61,255	1,282,546
Buildings	326,125,051	12,778,725	1,692,344	15,102,910	352,314,342
Buildings – Right to use	1,875,417	64,029	253,686	(1,589,123)	96,637
Software	39,997,612	433,449	14,055,235	1,832,357	28,208,183
Software – Right to use	5,977,120	2,816,302	---	---	8,793,422
Equipment and vehicles	709,950,382	67,307,394	37,664,919	21,008,254	760,601,111
Equipment and vehicles – Right to use	253,083	---	253,083	---	---
Temporary easements	6,385,906	2,549,590	1,478,637	---	7,456,859
IT Infrastructure – Right to use	10,020,838	424,283	5,009,893	1,527,868	6,963,096
Infrastructure	56,270,831,184	---	81,007,955	1,314,919,900	57,504,743,129
Total depreciable/amortizable capital assets	57,403,250,160	87,110,214	142,268,920	1,352,914,645	58,701,006,099
Accumulated depreciation/amortization					
Land improvements	23,385,564	900,463	829,889	---	23,456,138
Land – Right to use	506,751	114,529	23,279	6,125	604,126
Buildings	182,909,358	8,991,509	1,576,891	---	190,323,976
Buildings – Right to use	352,931	19,343	237,320	(102,889)	32,065
Software	35,834,777	2,084,874	14,055,235	---	23,864,416
Software – Right to use	2,132,942	2,503,053	---	---	4,635,995
Equipment and vehicles	395,546,068	48,901,114	36,469,377	---	407,977,805
Equipment and vehicles – Right to use	253,082	---	253,082	---	---
Temporary easements	2,035,329	2,120,055	1,478,637	---	2,676,747
IT Infrastructure – Right to use	7,198,010	823,863	4,665,301	96,764	3,453,336
Infrastructure	28,401,706,791	656,610,997	76,561,631	---	28,981,756,157
Total accumulated depreciation/amortization	29,051,861,603	723,069,800	136,150,642	---	29,638,780,761
Total depreciable/amortizable capital assets, net	28,351,388,557	(635,959,586)	6,118,278	1,352,914,645	29,062,225,338
Total net capital assets	$ 35,314,216,185	$ 1,768,646,136	$ 7,447,007	$ ---	$ 37,075,415,314

As of June 30, 2026, the Department has capital assets classified as equipment and vehicles with a historical cost of $9,781,823 and accumulated depreciation of $9,203,347 that are being held for sale. The Department intends to sell these capital assets within the next fiscal year.

Changes in capital assets for the year ended June 30, 2025 (as restated) are summarized below:

Beginning Balance (restated)	Additions (restated)	Deletions/ Retirements	Transfers	Ending Balance (restated)
$ 2,643,697,655	$ 3,023,552	$ 2,634,852	$ 2,317,795	$ 2,646,404,150
15,221,107	27,359,245	---	(7,129,228)	35,451,124
3,513,539	1,051,765	---	(3,094,261)	1,471,043
60,731,983	27,048,052	---	(9,272,125)	78,507,910
3,568,644,805	1,896,825,212	---	(1,264,476,616)	4,200,993,401
6,291,809,089	1,955,307,826	2,634,852	(1,281,654,435)	6,962,827,628
31,037,299	2,437	469,197	18,458	30,588,997
1,244,570	---	---	---	1,244,570
320,667,297	1,950,531	3,430,372	6,937,595	326,125,051
543,711	1,589,123	257,417	---	1,875,417
36,710,037	492,790	306,509	3,101,294	39,997,612
5,799,136	177,984	---	---	5,977,120
665,719,511	66,276,090	29,167,414	7,122,195	709,950,382
253,083	---	---	---	253,083
8,051,621	1,755,218	3,419,210	(1,723)	6,385,906
9,557,810	566,116	103,088	---	10,020,838
55,120,518,871	---	114,164,303	1,264,476,616	56,270,831,184
56,200,102,946	72,810,289	151,317,510	1,281,654,435	57,403,250,160
22,783,901	956,859	355,196	---	23,385,564
392,646	114,105	---	---	506,751
176,896,870	8,506,646	2,494,158	---	182,909,358
433,153	177,195	257,417	---	352,931
33,636,077	2,505,209	306,509	---	35,834,777
178,562	1,954,380	---	---	2,132,942
380,642,661	42,771,419	27,868,012	---	395,546,068
231,300	21,782	---	---	253,082
2,772,353	2,682,186	3,419,210	---	2,035,329
5,681,698	1,619,400	103,088	---	7,198,010
27,887,791,790	626,177,515	112,262,514	---	28,401,706,791
28,511,441,011	687,486,696	147,066,104	---	29,051,861,603
27,688,661,935	(614,676,407)	4,251,406	1,281,654,435	28,351,388,557
$ 33,980,471,024	$ 1,340,631,419	$ 6,886,258	$ ---	$ 35,314,216,185

Note 7: 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 from 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, except for purchased 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 $3,547,658 and $3,448,710 for all claims arising out of a single accident or occurrence, and $532,148 and $517,306 for any one person in a single accident or occurrence, at June 30, 2026 and 2025, 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, general and vehicle liability during the past two years are:

	Beginning Balance	Current Claims and Estimate Changes	Claim Payments	Ending Balance
2026	$ 82,191,403	$ 26,451,902	$27,167,052	$ 81,476,253
2025 (as restated)	83,002,211	24,065,161	24,875,969	82,191,403

(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 $2,000,000 and $1,087,814 in claims and judgments payable at June 30, 2026 and 2025, 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 $4,306,439 and $2,837,814 as of June 30, 2026 and 2025, respectively. These estimates are within a range of $250,000 to $7,428,161 and $1,112,814 to $4,417,814 as of June 30, 2026 and 2025, respectively.

Note 8: 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 $12,400,000 and $11,500,000 were reported in the Medical and Life Insurance Plan as of June 30, 2026 and 2025, 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 two years are:

	Beginning Balance	Current Claims and Estimate Changes	Claim Payments	Ending Balance
2026	$11,500,000	$143,083,131	$142,183,131	$ 12,400,000
2025	9,700,000	141,836,548	140,036,548	11,500,000

Note 9: 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.

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 contribution rate to MPERS was 37.0 percent of eligible (covered) payroll for fiscal year 2026 and 52.0 percent of eligible (covered) payroll for fiscal year 2025. Required employer contributions totaling $110,159,119 and $150,389,238 for fiscal years 2026 and 2025, 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 2026 contribution rate was based on a 1-year closed amortization period for unfunded retiree liabilities and a 16-year closed amortization period for other unfunded liabilities.

(B) Actuarial Information

The total pension liability was determined by actuarial valuations as of June 30, 2025 and 2024, using the following actuarial assumptions, applied to all prior periods included in the measurements:

	2025	2024
Inflation	2.25%	2.25%
Salary increases	3.00% to 10.50%	3.00% to 10.50%
Investment rate of return	6.50%	6.50%
Cost-of-living adjustments	1.80% compound	1.80% compound

For the June 30, 2025 actuarial valuation, post-retirement mortality for non-disabled pensioners was based on the Pub-2010 General Healthy Retiree Amount-Weighted Below-Median Income mortality tables for non-uniformed males and females, with male rates decreased by 4 percent for non-uniformed retired members, and the Pub-2010 Public Safety Healthy Retiree Amount-Weighted mortality tables for uniformed males and females, with male rates increased by 5 percent for uniformed retired members. These mortality rates were adjusted for mortality improvement back to the 2010 base year and were projected generationally from 2010 to 2019 using Scale MP-2021 and by 90 percent of MP-2021 for years thereafter. Post-retirement disabled mortality was based on the Pub-2010 General Disabled Retiree Amount-Weighted mortality tables for non-uniformed members and the Pub-2010 Public Safety Disabled Retiree Amount-Weighted mortality tables for uniformed members, using the same mortality improvement methodology. Pre-retirement mortality for active members was determined using the Pub-2010 General Employee Amount-Weighted Below-Median Income mortality tables for non-uniformed males and females and the Pub-2010 Public Safety Employee Amount-Weighted mortality tables for uniformed males and females, with mortality improvement applied on a generational basis consistent with the MP-2021 projection scales.

For the June 30, 2024 actuarial valuation, post-retirement mortality was determined using the RP-2014 Healthy Annuitant Mortality Tables projected to 2024 with Scale MP-2017. Pre-retirement mortality was based on the RP-2014 Employee Mortality Tables projected to 2024 using Scale MP-2017, multiplied by 65 percent. Post-retirement disabled mortality was based on the RP-2014 Disabled Retiree Annuitant Mortality Tables projected to 2024 with Scale MP-2017.

The actuarial assumptions used in the 2025 and 2024 valuations were based on the results of an actuarial experience study for the period July 1, 2017 - June 30, 2022.

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, 2025 and 2024:

Asset Class	2025	2024
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
Opportunistic debt	7.5	7.5

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, 2025 and 2024 are summarized in the following table:

Asset Class	2025	2024
Global equity	3.10%	2.40%
Private equity	6.00	6.10
Fixed income	2.20	2.40
Opportunistic debt	5.70	5.70
Real assets	3.10	4.00
Real estate	2.80	3.40

A single discount rate of 6.5 percent was used to measure the total pension liability for fiscal years 2025 and 2024. This single discount rate was based on the expected rate of return on pension plan investments of 6.5 percent for fiscal years 2025 and 2024, respectively. 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 rates. 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 6.5 percent for fiscal years 2025 and 2024, 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, 2025 and 2024.

	1 Percent Decrease (5.50%)	Current Discount Rate (6.50%)	1 Percent Increase (7.50%)
The Department's proportionate share of the net pension liability 2025	$979,525,295	$605,542,550	$296,418,674

	1 Percent Decrease (5.50%)	Current Discount Rate (6.50%)	1 Percent Increase (7.50%)
The Department's proportionate share of the net pension liability 2024	$1,177,312,886	$798,398,557	$485,463,412

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

The Department reported a liability of $605.5 million and $798.4 million for its proportionate share of the net pension liability at June 30, 2026 and 2025, respectively. The net pension liability was measured as of June 30, 2025 and June 30, 2024, 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, 2025 and 2024, the Department's proportion was 59.98 percent and 62.10 percent, respectively, which was a decrease of 2.12 percent from the measurement period of June 30, 2023 to June 30, 2024 and a decrease from the measurement period of June 30, 2022 to June 30, 2023 of 0.35 percent. The Department recognized pension expense of $45.2 million and $118.5 million for the years ended June 30, 2026 and 2025, respectively.

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

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$110,895,512	$ ---	$154,656,684	$ 571,236
Changes in proportion and differences between employer contributions and share of contributions	2,366,073	21,950,543	5,088,825	3,897,714
Net difference between projected and actual investment earnings on pension plan investment	---	193,894,537	---	183,352,117
Changes in actuarial assumptions	6,210,764	---	18,357,100	---
Contributions subsequent to measurement date	110,159,119	---	150,389,238	---
Total	$229,631,468	$215,845,080	$328,491,847	$ 187,821,067

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	2026 Net Deferred Inflows of Resources	2025 Net Deferred Inflows of Resources
2026	$ ---	$ (10,171,093)
2027	22,185,726	46,524,426
2028	(40,917,116)	(18,749,198)
2029	(50,864,422)	(27,322,593)
2030	(26,776,919)	---
Total	$ (96,372,731)	$ (9,718,458)

Note 10: 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 8, 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 July 1, 2025:	
Retirees or beneficiaries currently receiving benefit payments	4,625
Retirees entitled to but not yet receiving benefit payments	53
Active employees	4,819
Total participants	9,497

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 $21,331,804 and $19,650,095 were made for fiscal years 2026 and 2025, respectively.

(B) Actuarial Information

The OPEB liability for June 30, 2026 was determined based on the actuarial valuation as of July 1, 2025. The OPEB liability for June 30, 2025 was determined based on the actuarial valuation as of July 1, 2023 using updated assumptions applied to all periods included in the measurement and rolled forward to the measurement date of July 1, 2024. The total OPEB liabilities were determined using the following actuarial assumptions and other inputs:

	2026	2025
Inflation	2.00%	2.00%
Salary increases	3.00%	3.00%
Discount rate	5.20%	3.93%
Healthcare cost trend rates (composite medical/prescription/administration):	8.11% for 2025, decreasing to 4.44% through 2035	7.82% for 2023, decreasing to 4.44% through 2033
Retirees' share of benefit-related costs:	43-90% of projected health insurance premiums for retirees.	43-90% of projected health insurance premiums for retirees.

The inflation rate was based on the actuary's estimate of inflation as of July 1, 2025. 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-2016 Public Retirement Plans Safety Employees Mortality Table weighted by Headcount project by MP-2021 for July 1, 2025 and the Pub-2010 Public Retirement Plans Safety Employees Mortality Table weighted by Headcount project by MP-2021 for July 1, 2024. The actuarial assumptions used in July 1, 2025 valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2022. Changes of assumptions and other inputs reflect a change in the discount rate from 3.93 percent in 2025 to 5.20 percent in 2026.

The following presents the impact of interest rate sensitivity on the total OPEB liability for the fiscal years ended June 30, 2026 and 2025.

	1 Percent Decrease (4.20%)	Current Discount Rate (5.20%)	1 Percent Increase (6.20%)
Total OPEB liability 2026	$607,253,552	$531,875,724	$470,795,302
	1 Percent Decrease (2.93%)	**Current Discount Rate (3.93%)**	**1 Percent Increase (4.93%)**
Total OPEB liability 2025	$414,989,675	$367,458,196	$328,509,529

The following illustrates the impact of healthcare cost trend sensitivity on the total OPEB liability for the Department for fiscal year ended June 30, 2026.

Measurement Date July 1, 2025	1 Percent Decrease (7.11%)	Current Trend Rates (8.11%)	1 Percent Increase (9.11%)
Total OPEB liability	$465,226,090	$531,875,724	$614,689,750

The following illustrates the impact of healthcare cost trend sensitivity on the total OPEB liability for the Department for fiscal year ended June 30, 2025.

Measurement Date July 1, 2024	1 Percent Decrease (6.82%)	Current Trend Rates (7.82%)	1 Percent Increase (8.82%)
Total OPEB liability	$320,733,525	$367,458,196	$425,196,233

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

The Department's total OPEB Liability is $531,875,724 and $367,458,196 at June 30, 2026 and 2025, respectively. The measurement date of the liability for June 30, 2026 and 2025 was July 1, 2025 and 2024, respectively. The liability was based on the population of each employer.

	2026	2025
Beginning Balance	$ 367,458,196	$ 376,986,149
Changes for the year		
Service cost	6,285,393	6,435,801
Changes of benefit terms	---	---
Differences between expected and actual experience	19,716,554	823,003
Interest	14,303,250	13,667,380
Changes in assumptions or other inputs	143,889,308	(12,345,475)
Benefit payments	(19,776,977)	(18,108,662)
Net changes	164,417,528	(9,527,953)
Balance, June 30	$ 531,875,724	$ 367,458,196

A breakout of the current and noncurrent portion of the total OPEB liability at June 30, 2026 and 2025 is listed below:

	2026	2025
Other postemployment benefit obligation - current	$ 20,490,000	$ 18,800,000
Other postemployment benefit obligation - noncurrent	511,385,724	348,658,196
Total	$ 531,875,724	$ 367,458,196

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

For the year ended June 30, 2026 and 2025, the Department recognized a total OPEB benefit of $33,737,762 and $76,532,730, respectively. A breakdown of the OPEB expense/(benefit) is provided below.

	2026	2025
Reconciliation of OPEB Expense/(Benefit)		
Service Cost	$ 6,285,393	$ 6,435,801
Interest	14,303,250	13,667,380
Amortization of Deferred Inflow Changes in Assumptions	(4,920,614)	(13,879,497)
Amortization of Deferred Inflow Changes in Liability (Gain)/Loss	(49,405,791)	(82,756,414)
Total OPEB expenses/(benefits)	$ (33,737,762)	$ (76,532,730)

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

	2026		2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 16,439,258	$ 13,148,920	$ 665,037	$ 22,011,867
Changes of assumptions or other inputs	119,395,790	263,776,981	31,528,004	369,204,294
Benefit payments subsequent to measurement date	21,331,804	---	19,650,095	---
Total	$ 157,166,852	$276,925,901	$ 51,843,136	$391,216,161

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

For the year ended June 30, 2026 and 2025, amounts are reported as deferred inflows of resources related to OPEB and will be recognized as a decrease in OPEB expense. The 2026 and 2025 amounts are as follows:

Year	2026	2025
2026	$ ---	$ (85,728,682)
2027	(77,093,543)	(108,495,820)
2028	(70,571,641)	(101,973,918)
2029	(30,957,986)	(62,360,263)
2030	30,937,840	(464,437)
2031	6,594,477	---
Total	$(141,090,853)	$ (359,023,120)

Note 11: Financing and Other Obligations

Changes in long-term obligations for the year ended June 30, 2026 were as follows:

Obligation	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
State road bonds[1]	$ 1,127,955,000	$ 1,090,300,000	$375,920,000	$ 1,842,335,000	$335,325,000
Notes issued	44,723,810	---	8,757,237	35,966,573	8,850,064
Leases	6,200,827	488,312	1,118,784	5,570,355	772,545
Subscriptions	2,079,582	2,809,267	2,882,512	2,006,337	987,684
Claims and judgments	1,087,814	912,186	---	2,000,000	2,000,000
Compensated absences[2]	73,738,158	2,924,912	---	76,663,070	42,765,086
Pollution remediation	7,724	---	---	7,724	---
Asset retirement obligations	51,000	---	8,000	43,000	---
	$ 1,255,843,915	$ 1,097,434,677	$388,686,533	$ 1,964,592,059	$390,700,379
Unamortized premium				97,829,916	
				$ 2,062,421,975	

[1]The Department had $869,273,084 in unspent bond proceeds as of June 30, 2026.
[2]The change in the compensated absences liability is presented as a net change versus showing both additions and reductions.

Changes in long-term obligations for the year ended June 30, 2025 were as follows:

Obligation	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
State road bonds[1]	$ 1,506,100,000	$ ---	$378,145,000	$ 1,127,955,000	$ 375,920,000
Notes issued	40,727,262	13,276,025	9,279,477	44,723,810	8,757,237
Leases	5,881,712	2,155,239	1,836,124	6,200,827	638,268
Subscriptions	3,790,443	150,172	1,861,033	2,079,582	1,911,183
Claims and judgments	1,007,814	80,000	---	1,087,814	1,087,814
Compensated absences[2]	72,844,835	893,323	---	73,738,158	40,405,133
Pollution remediation	7,724	---	---	7,724	7,724
Asset retirement obligations	44,000	14,000	7,000	51,000	---
	$ 1,630,403,790	$ 16,568,759	$391,128,634	$ 1,255,843,915	$ 428,727,359
Unamortized premium				37,827,139	
				$ 1,293,671,054	

[1]The Department had $199,244,569 in unspent bond proceeds as of June 30, 2025.
[2]The change in the compensated absences liability is presented as a net change versus showing both additions and reductions.

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.

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.

During fiscal year 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 for improvements to the Lance Corporal Leon Deraps I-70 Missouri River (Rocheport) Bridge and Climbing Lanes at Mineola Hill. The first disbursement of $24.4 million was made on August 1, 2022. The second disbursement of $24.8 million was made on August 1, 2023. The final disbursement of $13.3 million was made on August 1, 2024. Annual payments to the MTFC began on August 1, 2023 in the amount of $9.2 million, including interest, and continue through August 1, 2029.

During the 2023 legislative session, the General Assembly passed and the Governor signed legislation that made available $2.8 billion in General Revenue Fund monies ($1.4 billion in cash and $1.4 billion in bonding authority) to fund the costs to plan, design, construct, reconstruct, rehabilitate and repair three lanes in each direction on approximately 200 miles of I-70, from Blue Springs to Wentzville (the “Improve I-70 Program”). The bonds will be paid back with general revenue funds appropriated by the legislature.

(A) State Road Bonds

1. Bonded Debt Detail

	2026	2025
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 May 1, 2022 through 2033; coupon interest rate varying from 4.80 percent to 5.45 percent, exclusive of expected U.S. Treasury subsidy; secured by revenues collected from federal highway reimbursements.	$ 273,300,000	$ 307,225,000
Series C 2009 Third Lien 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 May 1, 2017 through 2029; coupon interest rate 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.	81,095,000	106,235,000
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; coupon interest rate varying from 2.00 percent to 5.00 percent; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.	---	104,510,000
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; coupon interest rate at 5.00 percent; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.	23,600,000	46,050,000
Series A 2021 Third Lien State Road bonds, originally issued for $88,955,000, to finance a portion of the Focus on Bridges Program, due in annual installments of $15,465,000 to $19,775,000 beginning November 1, 2022 through 2026; coupon interest rate at 5.00 percent; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.	15,465,000	35,240,000
Series A 2022 Third Lien State Road bonds, originally issued for $453,005,000, to finance projects pursuant to Amendment 3, due in annual installments of $18,630,000 to $59,020,000 beginning May 1, 2024 through 2033; coupon interest rate from 4.00 to 5.00 percent; secured by revenues collected from the State Road Fund and State Road Bond Fund.	358,575,000	399,175,000
Series A 2023 State Appropriations Mega Projects State Road Bonds, originally issued for $381,610,000, to finance a portion of the Improve I-70 Program, due in annual installments of $123,355,000 to $129,520,000 beginning May 1, 2024 through May 1, 2026; coupon interest rate of 5.00 percent; secured by appropriations made by the General Assembly and by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.	---	129,520,000
Series A 2025 State Appropriations Mega Projects State Road Bonds, originally issued for $481,780,000, to finance a portion of the Improve I-70 Program, due in annual installments of $83,065,000 to $117,050,000 beginning May 1, 2027 through 2031; coupon interest rate of 5.00 percent; secured by appropriations made by the General Assembly and by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.	481,780,000	---
Series A 2026 Third Lien State Road bonds, originally issued for $608,520,000, to finance projects pursuant to Amendment 33, due in annual installments of $69,450,000 to $136,545,000 beginning May 1, 2027 through 2033; coupon interest rate of 5.00 percent; secured by revenues collected under Article IV, Section 30(b) of the Missouri Constitution.	608,520,000	---
	$ 1,842,335,000	$ 1,127,955,000

2. Tax Status of Bonds

Tax-Exempt issuances: The Refunding Series A 2014 bonds are First Lien bonds. The Series B 2019, A 2021, A 2022 bonds, and A 2026 are Third Lien Bonds. The Series A 2023 bonds and A 2025 have a first lien on State Appropriations Revenue. As tax-exempt issuances, these bonds are subject to federal arbitrage regulations.

Taxable issuances: The Series B 2009 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.

Fiscal Year	Principal Due	Interest Due	Total Due
2027	335,325,000	91,090,336	426,415,336
2028	363,175,000	70,864,316	434,039,316
2029	266,695,000	53,527,968	320,222,968
2030	250,075,000	41,045,263	291,120,263
2031	262,005,000	29,068,165	291,073,165
2032-2033	365,060,000	24,672,550	389,732,550
	$ 1,842,335,000	$ 310,268,598	$ 2,152,603,598

4. Pledged Revenues

Pledged revenues for the year ended June 30, 2026 were as follows:

(Amounts in thousands)

Bond Lien Type	Principal	Interest	Total Debt Service	Pledged Revenue Type[4]	Net Pledged Revenue	Term of Commitment
Federal Reimbursement[1]	$ 33,925	$ 13,872	$ 47,797	Federal Highway Reimbursements	$1,397,657	2026 – 2033
First, Second, Third Lien[2]	212,475	32,434	244,909	Article IV, Section 30(b) of the Missouri Constitution	1,234,870	2026 – 2033
State Appropriations Mega Projects Lien[3]	129,520	6,386	135,906	Mega Projects State Appropriations	135,906	2026 – 2031
	$ 375,920	$ 52,692	$ 428,612		$2,768,433	

[1] Bonds issued 2009 (2009 B)
[2] Bonds issued 2014 (2014 A), 2009 (2009 C), 2019 (2019 B), 2021 (2021 A), 2022 (2022 A), 2026 (2026A)
[3] Bonds issued 2023 (2023 A), 2025 (2025 A)
[4] 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 federal revenue include federal aid reimbursements or federal fund obligations for road and bridge projects.

Pledged revenues for the year ended June 30, 2025 were as follows:

(Amounts in thousands)

Bond Lien Type	Principal	Interest	Total Debt Service	Pledged Revenue Type[4]	Net Pledged Revenue	Term of Commitment
Federal Reimbursement[1]	$ 52,445	$ 19,260	$ 71,705	Federal Highway Reimbursements	$1,311,960	2025 – 2033
First, Second, Third Lien[2]	202,345	43,554	245,899	Article IV, Section 30(b) of the Missouri Constitution	1,127,107	2025 – 2033
State Appropriations Mega Projects Lien[3]	123,355	12,506	135,861	Mega Projects State Appropriations	135,861	2025 – 2026
	$ 378,145	$ 75,320	$ 453,465		$2,574,928	

[1] Bonds issued 2009 (2009 B), 2010 (2010 B), 2019 (2019 A)
[2] Bonds issued 2014 (2014 A, 2014 B), 2009 (2009 C), 2019 (2019 B), 2021 (2021 A), 2022 (2022 A)
[3] Bonds issued 2023 (2023 A)
[4] 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 federal revenue include federal aid reimbursements or federal fund obligations for road and bridge projects.

(B) Notes Issued

1. Notes Issued Detail

	2026	2025
Missouri Transportation Finance Corporation: to replace the Lance Corporal Leon Deraps I-70 Missouri River (Rocheport) Bridge and to build the climbing lanes at Mineola Hill; annual payments are due August 1st beginning in state fiscal year 2024 and continuing through fiscal year 2030; 1.06 percent interest will accrue on unpaid principal balance.	$35,966,573	$44,723,810
	$35,966,573	$44,723,810

2. Notes Issued Debt Maturity

Annual debt service requirements to maturity for all notes issued are indicated in the following schedule.

Fiscal Year	Principal Due	Interest Due	Total Due
2027	$ 8,850,064	$ 381,246	$ 9,231,310
2028	8,943,873	287,435	9,231,308
2029	9,038,152	193,158	9,231,310
2030	9,134,484	96,826	9,231,310
	$35,966,573	$ 958,665	$36,925,238

(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 12: Tax Revenues

Tax revenues for the fiscal years 2026 and 2025 were as follows:

	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Funds	Total 2026
Fuel taxes	$ 889,704,966	$ 127,252	$ ---	$ 269,598	$ 890,101,816
Sales taxes	2,485,274	239,620,797	246,176,955	12,297,731	500,580,757
Total tax revenue	$ 892,190,240	$239,748,049	$246,176,955	$12,567,329	$ 1,390,682,573

	State Highways and Transportation Department Fund	State Road Fund	State Road Bond Fund	Nonmajor Funds	Total 2025
Fuel taxes	$ 798,972,913	$ 114,488	$ ---	$ 262,239	$ 799,349,640
Sales taxes	2,194,701	227,189,552	233,367,486	11,580,602	474,332,341
Total tax revenue	$ 801,167,614	$227,304,040	$233,367,486	$11,842,841	$ 1,273,681,981

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 increased from $0.27 per gallon to $0.295 per gallon on July 1, 2025. The State receives 75.0 percent of the first $0.11 and 70.0 percent of the next $0.185. 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 13: 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, 2026 and 2025, including were as follows:

	2026		2025	
	Transfers In	Transfers Out	Transfers In	Transfers Out
State Highways and Transportation Department Fund	$ ---	$751,198,584	$ ---	$668,828,975
State Road Fund	932,704,365	---	846,853,680	---
Nonmajor Funds	14,181,960	195,687,741	11,271,960	189,296,665
Total transfers	$946,886,325	$946,886,325	$858,125,640	$858,125,640

Note 14: 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, 2026 and 2025. Consequently, this potential obligation is not included in the accompanying basic financial statements. Total reimbursements made by the Department were $79,596 and $92,575 for fiscal years 2026 and 2025, respectively.

(B) Construction Commitments

The Department had construction awards outstanding for both state and federal participating projects at June 30, 2026 and 2025 amounting to approximately $3,133,151,025 and $3,024,312,577, respectively. The federal portion of this total was $930,675,107 and $928,683,393, or approximately 29.7 percent and 30.7 percent, for 2026 and 2025, respectively.

(C) 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 15: Accounting Pronouncements

MoDOT implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*, in fiscal year 2026. GASB 103 refines MD&A to require a clearer, more analytical narrative and also updates budgetary comparison reporting by moving all budgetary comparison schedules to Required Supplementary Information and requiring an added column showing changes from the original to final budget, along with notes explaining significant variances. Similarly, GASB 104 requires expanded note disclosure of certain capital assets, including leased and intangible right-to-use assets under GASB 87, 94, and 96, presented separately by major asset class, as well as detailed disclosure of capital assets held for sale with cost, accumulated depreciation, and related debt. Both standards focus solely on presentation and disclosure improvements; no recognition or measurement changes were required for fiscal year 2026.

Note 16: Restatement

The Department has restated its 2025 financial statements for the following:

- During fiscal year 2026, the Department restated certain amounts previously reported for fiscal year 2025 to certain self insurance liability reserve balances. These balances represent the Department's pending claim liabilities on the balance sheet. During the fiscal year, the Department conducted a detailed review of historical claim files and identified several older claims that had been fully resolved and closed, but had not been removed from the reserve balances in prior periods. The Department determined that failure to remove these closed claims resulted in an overstatement of pending self insurance liabilities, which meets the definition of an error under GASB Statement No. 100. To correct this, the Department reduced the pending self insurance claims by $19.2 million. After consulting with the actuary, the Department elected to adjust only the case reserve balances and not restate the related incurred-but-not-reported (IBNR) liabilities. Corresponding adjustments were made to beginning net position for fiscal year 2025 and self insurance expense.
- During fiscal year 2026, an error was identified in the fiscal year 2025 financial statements related to the classification of costs associated with the acquisition of some in-progress equipment. A progress billing totaling $887,250 was inadvertently expensed rather than capitalized. As a result, assets not being depreciated and total net position was understated by $887,250 and program delivery expenses were overstated by the same amount.

These adjustments, reported as an error correction, are shown in the tables below:

Government-wide financial statements

	June 30, 2025 As Originally Stated	Error Correction	June 30, 2025 As Restated
Statement of Net Position			
Assets not being depreciated	$ 6,961,940,378	$ 887,250	$ 6,962,827,628
Total noncurrent assets	35,374,263,814	887,250	35,375,151,064
Total assets	37,942,407,864	887,250	37,943,295,114
Pending self insurance claims (current)	20,119,000	(2,087,000)	18,032,000
Total current liabilities	809,885,897	(2,087,000)	807,798,897
Pending self insurance claims (noncurrent)	50,051,533	(17,093,130)	32,958,403
Total noncurrent liabilities	2,084,306,981	(17,093,130)	2,067,213,851
Total liabilities	2,894,192,878	(19,180,130)	2,875,012,748
Net investment in capital assets	34,294,474,241	887,250	34,295,361,491
Restricted for highways and transportation	553,335,229	19,180,130	572,515,359
Total net position	$ 34,848,009,470	$ 20,067,380	$ 34,868,076,850
Statement of Activities			
Program delivery	$ 314,868,392	$ (887,250)	$ 313,981,142
Self insurance	32,693,356	(7,622,258)	25,071,098
Total program expenses	2,297,330,647	(8,509,508)	2,288,821,139
Net expense of program revenues	(202,245,865)	8,509,508	(193,736,357)
Change in net position	1,798,296,719	8,509,508	1,806,806,227
Net Position, beginning of year	33,049,712,751	11,557,872	33,061,270,623
Net Position, end of year	$ 34,848,009,470	$ 20,067,380	$ 34,868,076,850

Proprietary fund statements

	June 30, 2025 As Originally Stated	Error Correction	June 30, 2025 As Restated
Statements of Net Position			
Pending self insurance claims (current)	$ 20,119,000	$ (2,087,000)	$ 18,032,000
Total current liabilities	48,509,885	(2,087,000)	46,422,885
Pending self insurance claims (noncurrent)	50,051,533	(17,093,130)	32,958,403
Total noncurrent liabilities	72,306,533	(17,093,130)	55,213,403
Total liabilities	120,816,418	(19,180,130)	101,636,288
Unrestricted net position	33,245,628	19,180,130	52,425,758
Total net position	$ 33,445,628	$ 19,180,130	$ 52,625,758
Statements of Revenues, Expenditures and Changes in Net Position			
Highway fleet vehicle liability	$ 1,855,225	$ (530,261)	$ 1,324,964
Highway general liability	18,985,249	(7,091,997)	11,893,252
Total operating expenses	195,378,670	(7,622,258)	187,756,412
Operating income (loss)	(21,716,101)	7,622,258	(14,093,843)
Changes in net position	(13,569,430)	7,622,258	(5,947,172)
Net position, beginning of year	47,015,058	11,557,872	58,572,930
Net position, end of year	$ 33,445,628	$ 19,180,130	$ 52,625,758

Note 17: Subsequent Events

During the 2024 legislative season, the Governor and Missouri General Assembly passed and signed Truly Agreed and Finally Passed House Bill 4. House Bill 4 authorized the Office of Administration and the Missouri Highways and Transportation Commission (Commission) to execute a financing agreement that the State will pledge sufficient general revenue funds to be the first recourse for payment of the debt service on Commission bonds issued to finance the planning, designing, right-of-way acquisition, constructing, reconstructing, rehabilitating, and significant repair of Interstate Highway 44 from Missouri Route T to Missouri Route 68, from US Route 160 to Missouri Route 125, and from 1-49 to Missouri Route 249 and rebuild pavement and improve the 1-44/Route 13 interchange and the 1-44/1-49 interchange and other 1-44 Tier 2 and Tier 3 projects listed on the unfunded needs list (the “Forward 44 Program”). The Department anticipates issuing approximately $350,065,000 in bonds to get proceeds of $363,750,000 in the fall of 2026 for the Forward 44 Program. This transaction will occur after the fiscal year-end and does not affect the June 30, 2026 financial position; however, due to its significance, it is disclosed here as a subsequent event.



This page intentionally left blank

Required Supplementary Information

Required Supplementary Information

Budgetary Comparison Schedules – State Highways and Transportation Department Fund

Year Ended June 30, 2026 and 2025

	2026				
	Budgeted Amounts		Variance Between Original Budget and Final	Actual	Variances Between Final Budget and Actual
	Original	Final			
Budgetary fund balance, beginning of year	$ 18,457,558	$ 18,457,558	$ ---	$ 18,457,558	$ ---
Resources (inflows)					
Fuel taxes	853,973,247	857,671,732	3,698,485	876,665,785	18,994,053
License, fees and permits	242,438,106	233,389,867	(9,048,239)	223,947,476	(9,442,391)
Vehicle sales taxes	2,427,994	2,429,817	1,823	2,486,577	56,760
Interest	1,379,724	1,409,687	29,963	2,424,086	1,014,399
Intergovernmental/cost reimbursements/miscellaneous	4,139,058	4,447,943	308,885	9,066,140	4,618,197
Amount available for Appropriation	1,122,815,687	1,117,806,604	(5,009,083)	1,133,047,622	15,241,018
Charges to appropriations (outflows)					
Appropriations spent by other state agencies	493,823,310	507,372,800	13,549,490	372,510,015	134,862,785
Total charges to appropriations	493,823,310	507,372,800	13,549,490	372,510,015	134,862,785
Transfers to State Road Fund	(813,945,000)	(813,945,000)	---	(751,198,584)	62,746,416
Budgetary fund balance, end of year	$ (184,952,623)	$ (203,511,196)	$ (18,558,573)	$ 9,339,023	$212,850,219

See Notes to the Budgetary Comparison Schedules

2025				
Budgeted Amounts		Variance Between Original Budget and Final		Variances Between Final Budget and Actual
Original	Final		Actual	
$ 14,723,696	$ 14,723,696	$ ---	$ 14,723,696	$ ---
783,906,455	783,906,455	---	786,398,729	2,492,274
238,831,424	238,831,424	---	225,269,903	(13,561,521)
1,988,243	1,988,243	---	2,191,891	203,648
1,246,207	1,246,207	---	2,375,558	1,129,351
1,227,709	1,227,709	---	6,731,101	5,503,392
1,041,923,734	1,041,923,734	---	1,037,690,878	(4,232,856)
467,168,540	467,168,540	---	350,405,601	116,762,939
467,168,540	467,168,540	---	350,405,601	116,762,979
(813,945,000)	(813,945,000)	---	(668,828,975)	145,116,025
$ (239,189,806)	$ (239,189,806)	$ ---	$ 18,456,302	$257,646,108

Required Supplementary Information

Budgetary Comparison Schedules – State Road Fund, State Road Fund I-70 Bond Proceeds Fund, State Road Fund I-70 Project Fund, State Road Fund I-44 Bond Proceeds Fund, and State Road Fund I-44 Project Fund

Years Ended June 30, 2026 and 2025

	2026				
	Budgeted Amounts		Variance Between Original Budget and Final	Actual	Variances Between Final Budget and Actual
	Original	Final			
Budgetary fund balance, beginning of year	$ 1,775,658,878	$ 1,775,658,878	$ ---	$ 1,775,658,878	$ ---
Resources (inflows)					
Fuel taxes	118,753	119,268	515	127,252	7,984
License, fees and permits	102,292,894	98,475,133	(3,817,761)	119,507,838	21,032,705
Vehicle sales taxes	235,985,067	236,162,237	177,170	234,289,746	(1,872,491)
Interest	41,583,125	42,122,880	539,755	63,320,086	21,197,206
Intergovernmental/cost reimbursements/miscellaneous	129,860,942	139,552,057	9,691,115	110,822,326	(28,729,731)
Bond proceeds	1,017,293,000	1,171,722,000	154,429,000	1,167,293,448	(4,428,552)
Federal government	1,597,555,000	1,542,477,000	(55,078,000)	1,611,603,211	69,126,211
Amount available for Appropriation	4,900,347,659	5,006,289,453	105,941,794	5,082,622,785	76,333,332
Charges to appropriations (outflows)					
Administration					
Personal service	19,276,884	24,864,777	5,587,893	23,529,963	1,334,814
Expense and equipment	5,151,657	6,637,046	1,485,389	3,148,647	3,488,399
Safety and Operations					
Personal service	150,363,932	193,853,250	43,489,318	178,481,891	15,371,359
Expense and equipment	254,232,651	328,282,030	74,049,379	327,098,638	1,183,392
Program Delivery					
Personal service	78,965,160	99,688,631	20,723,471	90,505,703	9,182,928
Expense and equipment	30,755,382	41,117,117	10,361,735	27,265,451	13,851,666
Program	5,022,475,156	5,284,874,204	262,399,048	2,521,152,098	2,763,722,106
Fleet, facilities and information systems					
Personal service	15,356,288	15,356,288	---	14,050,149	1,306,139
Expense and equipment	117,456,691	117,456,691	---	116,122,952	1,333,739
Multimodal operations					
Personal service	692,673	692,673	---	566,852	125,821
Expense and equipment	42,200	42,200	---	35,616	6,584
Program	176,000	176,000	---	176,000	---
Fringe benefits					
Retirement and long-term disability	191,866,585	188,116,585	(3,750,000)	110,825,542	77,291,043
Medical, life insurance and EAP	59,275,957	60,775,957	1,500,000	59,447,385	1,328,572
Retiree medical insurance	21,864,968	21,864,968	---	21,331,804	533,164
Workers' compensation	9,447,141	11,697,141	2,250,000	11,697,141	---
Other fringe benefits	29,635,243	29,635,243	---	26,402,280	3,232,963
Total charges to Appropriations	6,007,034,568	6,425,130,801	418,096,233	3,531,838,112	2,893,292,689
Transfers from Highway Fund	813,945,000	813,945,000	---	751,198,584	(62,746,416)
Transfer from State Treasury Fund	626,063,000	626,063,000	---	512,698,854	(113,364,146)
Transfers from Multimodal Funds[1]	1,078,134	1,078,134	---	394,825	(683,309)
Total Transfers	1,441,086,134	1,441,086,134	---	1,264,292,263	(176,793,871)
Budgetary fund balance, end of year	$ 334,399,225	$ 22,244,786	$ (312,154,439)	$ 2,815,076,936	$ 2,792,832,150

[1] The transfers from Multimodal Funds reimburse 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.

See Notes to the Budgetary Comparison Schedules

2025				
Budgeted Amounts		Variance Between Original Budget and		Variances Between Final Budget and
Original	Final	Final	Actual	Actual
$ 1,809,056,036	$ 1,809,056,036	$ ---	$ 1,809,056,036	$ ---
144,545	144,545	---	114,488	(30,057)
100,804,576	100,804,576	---	117,086,950	16,282,374
229,283,889	229,283,889	---	234,332,105	5,048,216
25,742,580	25,742,580	---	56,857,964	31,115,384
146,048,291	146,048,291	---	121,433,476	(24,614,815)
---	---	---	---	---
1,528,557,000	1,528,557,000	---	1,488,661,970	(39,895,030)
3,839,636,917	3,839,636,917	---	3,827,542,989	(12,093,928)
23,990,644	23,990,644	---	22,548,006	1,442,638
6,646,988	6,646,988	---	3,332,499	3,314,489
184,227,174	184,227,174	---	174,463,582	9,763,592
288,744,857	288,744,857	---	281,739,276	7,005,581
95,402,721	95,402,721	---	86,226,249	9,176,472
41,116,822	41,116,822	---	25,429,579	15,687,243
5,843,062,936	5,803,062,936	(40,000,000)	2,105,174,708	3,697,888,228
14,743,239	14,743,239	---	13,652,218	1,091,021
108,456,667	108,456,667	---	102,891,654	5,565,013
674,001	674,001	---	534,571	139,430
42,200	42,200	---	21,263	20,937
176,000	176,000	---	176,000	---
186,159,981	186,159,981	---	149,602,216	36,557,765
58,048,677	58,048,677	---	53,172,206	4,876,471
20,239,968	20,239,968	---	19,650,095	589,873
9,227,380	9,227,380	---	9,000,000	227,380
28,684,828	28,684,828	---	25,634,895	3,049,933
6,909,645,083	6,909,645,083	(40,000,000)	3,073,249,017	3,796,396,066
813,945,000	813,945,000	---	668,828,975	(145,116,025)
539,098,000	539,098,000	---	351,467,302	(187,630,698)
1,078,134	1,078,134	---	432,001	(646,133)
1,354,121,134	1,354,121,134	---	1,020,728,278	(333,392,856)
$(1,715,887,032)	$(1,675,887,032)	$ (40,000,000)	$ 1,775,022,250	$ 3,450,909,282

Required Supplementary Information

Budget Basis to GAAP Reconciliations and Disclosure

Years Ended June 30, 2026 and 2025

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 2026:

	State Highways and Transportation Department Fund	State Road Fund
Fund balance, budgetary basis	$ 9,339,023	$ 2,815,076,936
Receivables	179,990,744	234,655,129
Due from other funds	---	---
Inventories	---	68,730,284
Prepaid rents	---	4,074,792
Payables	(15,936,124)	(253,673,437)
Deposits	---	(1,334,272)
Unearned revenue	---	(53,123,000)
Unavailable revenues	(6,788,420)	(48,858,701)
Cash adjustments – Local Fund	---	36,282,535
Change in fair value of investments	(17,335)	(14,633,431)
Fund balance, GAAP basis	$ 166,587,888	$ 2,787,196,835

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 2025:

	State Highways and Transportation Department Fund	State Road Fund
Fund balance, budgetary basis	$ 18,456,302	$ 1,775,022,250
Receivables	169,666,024	196,137,540
Due from other funds	---	---
Inventories	---	58,094,305
Prepaid rents	---	2,927,465
Payables	(14,898,426)	(212,476,473)
Deposits	---	(1,413,672)
Unearned revenue	---	(54,736,643)
Unavailable revenues	(5,689,023)	(18,887,654)
Cash adjustments – Local Fund	---	40,738,348
Change in fair value of investments	(173,265)	(16,108,027)
Fund balance, GAAP basis	$ 167,361,612	$ 1,769,297,439

Notes to Budgetary Comparison Schedules

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 submittal 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. The Commission approves the budget in June based on the levels approved by the General Assembly and then the Commission approves amendments, if needed, to reflect any vetoes made by the Governor.

State Highways and Transportation Department Fund Budgetary Highlights

Fiscal Year 2026
Other state agencies' expenditures were $134.9 million less than budgeted, or 26.6 percent. The variance primarily reflects lower spending in capital improvement appropriations, which were $81.1 million below budget and are often tied to multi-year projects with expenditures occurring over several fiscal years. In addition, salaries and fringe benefits were $26.6 million under budget. A portion of this amount can be attributed to the retirement contribution rate decreasing from 52.0 percent to 37.0 percent in fiscal year 2026.

Fiscal Year 2025
Other state agencies' expenditures were $116.8 million less than budgeted, or 25.0 percent. The variance primarily reflects lower spending in capital improvement appropriations, which were $74.0 million below budget and are often tied to multi-year projects with expenditures occurring over several fiscal years. In addition, salaries and fringe benefits were $27.9 million under budget.

State Road Fund Budgetary Highlights

Fiscal Year 2026
The most significant differences between the original and final budget are summarized as follows:

- Bond proceeds were adjusted by $154.4 million, or 15.2 percent, in the final budget. During the issuance process, the Department determined the revenues available for debt service supported issuing an additional $150.0 million in bonds, and the final budget reflects this higher level of proceeds.
- The original budget for Administration, Safety and Operations, and Program Delivery was amended by $642.7 million to restore funds in the appropriations from the State Road Fund as authorized in the Supplemental Appropriations Truly Agreed to and Finally Passed by the General Assembly and signed by the Governor. The increase was partially offset by a total decrease of $224.6 million. A decrease of $47.0 million shifted debt service authority from the State Road Fund to the State Road Bond Fund so that payments could be made from that fund, as its revenues are constitutionally restricted for debt service and the Department seeks to maximize the use of those restricted resources whenever possible. The remaining $177.6 million decrease reflected expenditures made in fiscal year 2025 for the Improve I-70 and Forward 44 programs, both of which are multi-year projects.

The most significant differences between the final budget and actual results are summarized as follows:

- Program delivery program expenditures were $2.8 billion, or 52.3 percent, less than budgeted for several reasons. Approximately $2.2 billion of the unexpended budget is related to the Improve I-70 and Forward 44 programs, both of which are multi-year projects with spending that will occur over several fiscal years. Additionally, contractor payments were $196.4 million below budget due to the timing of payments to contractors. Debt service disbursements were $106.1 million less than budgeted; the budget included $44.0 million for Forward 44 debt service, but those bonds were not issued in fiscal year 2026. In addition, there was $62.2 million in extra appropriation capacity because some bonds have been fully repaid and others will be issued in future years. Federal pass-through disbursements were $51.3 million less than budgeted due to the timing of reimbursement requests from local entities, which varies throughout the year and is not predictable.
- Retirement and long-term disability expenditures were $77.3 million less than budgeted, or 41.1 percent, due to the retirement contribution rate decreasing from 52.0 percent to 37.0 percent in fiscal year 2026.

Fiscal Year 2025
The most significant differences between the original and final budget are summarized as follows:

- A decrease of $40.0 million shifted debt service authority from the State Road Fund to the State Road Bond Fund so that payments could be made from that fund, as its revenues are constitutionally restricted for debt service and the Department seeks to maximize the use of those restricted resources whenever possible.

The most significant differences between the final budget and actual results are summarized as follows:

- Program delivery program expenditures were $3.7 billion, or 63.7 percent, less than budgeted for several reasons. Approximately $2.8 billion of the unexpended budget is related to the Improve I-70 and Forward 44 programs, both of which are multi-year projects with spending that will occur over several fiscal years. Additionally, contractor payments were $367.8 million below budget due to the timing of payments to contractors. Debt service disbursements were $53.3 million less than budgeted; the

budget included $44.0 million for Forward 44 debt service, but those bonds were not issued in fiscal year 2026. In addition, there was $9.3 million in extra appropriation capacity because some bonds have been fully repaid and others will be issued in future years. Federal pass-through disbursements were $112.7 million less than budgeted due to the timing of reimbursement requests from local entities, which varies throughout the year and is not predictable.

Required Supplementary Information

Schedule of Proportionate Share of Net Pension Liability (NPL)

Actuarial Valuation Date	MoDOT's Proportion of NPL	MoDOT's Share of NPL	MoDOT's Covered Payroll	MoDOT's NPL as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2025	59.98%	$ 605,542,550	$283,090,430	213.90%	80.20%
6/30/2024	62.10	798,398,557	272,615,127	292.87	74.10
6/30/2023	62.45	891,638,345	250,299,278	356.23	69.68
6/30/2022	61.74	829,471,937	226,890,383	365.58	69.54
6/30/2021	61.70	826,871,121	221,755,933	372.87	69.15
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	219,668,223	460.88	57.06
6/30/2016	62.03	1,097,719,514	212,224,044	517.25	52.96

Required Supplementary Information

Schedule of Pension Contributions

Fiscal Year	Actuarially Determined Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as of Percentage of Covered Payroll
2026	$110,159,119	$110,159,119	$---	$205,712,639	53.55%
2025	150,389,238	150,389,238	---	259,291,790	58.00
2024	156,891,155	156,891,155	---	269,757,832	58.16
2023	144,460,527	144,460,527	---	250,299,278	58.00
2022	130,469,863	130,469,863	---	226,890,383	58.00
2021	127,707,962	127,707,962	---	221,755,933	58.00
2020	131,366,043	131,366,043	---	227,815,246	58.00
2019	130,420,220	130,420,220	---	226,173,147	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

Required Supplementary Information

Schedule of Proportionate Share of Total OPEB Liability Last 10 Fiscal Years*

(Dollar amounts in thousands)

Fiscal Year	Department's Proportion of Total OPEB Liability	Department's Proportionate Share of the Total OPEB Liability	Department's Covered Employee Payroll	Department's Proportionate Share of The Total OPEB Liability as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2026	100.0%	$531,876	$300,024	177%	n/a
2025	100.0	367,458	279,357	132	n/a
2024	100.0	376,986	256,698	147	n/a
2023	100.0	755,955	232,969	324	n/a
2022	100.0	932,684	234,924	397	n/a
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	825,952	220,401	383	n/a

*The amounts presented for each fiscal year were determined as of the measurement date.

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)

Fiscal Year	Required Contributions	Actual Contributions	Contribution Deficiency/Excess	Department's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2026	$---	$21,332	$---	$300,024	7.1%
2025	---	19,650	---	279,357	7.0
2024	---	17,950	---	256,698	7.0
2023	---	17,115	---	232,969	7.3
2022	---	17,636	---	234,924	7.5
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	7.6
2017	---	15,985	---	220,401	7.3

*The amounts presented for each year were determined as of the fiscal year end.

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)

	2026	2025	2024	2023
Service cost	6,285	6,436	16,903	26,558
Interest	14,303	13,667	27,059	20,535
Changes of benefit terms	---	---	---	---
Difference between expected and actual experience	19,717	823	(16,231)	(4,714)
Changes of assumptions or other inputs	143,889	(12,345)	(389,600)	(201,923)
Benefit payments	(19,776)	(18,109)	(17,100)	(17,185)
Net change in total OPEB liability	164,418	(9,528)	(378,969)	(176,729)
Total OPEB liability beginning	367,458	376,986	755,955	932,684
Total OPEB liability ending	531,876	367,458	376,986	755,955
Covered employee payroll	300,024	279,357	256,698	232,969
Total OPEB liability as a percentage of covered payroll	177%	132%	147%	324%

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 2026 and 2025 were 5.20 percent and 3.93 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.

2022	2021	2020	2019	2018
26,108	17,405	24,600	25,561	31,492
21,064	26,236	30,520	27,481	24,779
---	---	---	---	---
(23,792)	(2,646)	(36,658)	(1,758)	---
(8,825)	173,546	(34,827)	(37,482)	(110,051)
(17,636)	(17,561)	(17,582)	(17,257)	(15,985)
(3,081)	196,980	(33,947)	(3,455)	(69,765)
935,765	738,785	772,732	776,187	845,952
932,684	935,765	738,785	772,732	776,187
234,924	234,924	232,227	226,598	226,823
398%	398%	318%	341%	342%



This page intentionally left blank

Combining Financial Statements Nonmajor Governmental Funds

Combining Balance Sheets

Nonmajor Governmental Funds – Special Revenue

June 30, 2026

With Summarized Financial Information for 2025

	Multimodal Federal and Stimulus Fund	State General Revenue and Budget Stabilization Fund	State Transportation Fund	Aviation Trust Fund	State Transportation Assistance Revolving Fund	MCS Federal Fund
Assets						
Cash and cash equivalents	$ 1,244,765	$ ---	$ 5,876,344	$ 3,177,062	$ 899,784	$ 373,463
Investments	---	---	---	13,884,173	3,932,146	---
State taxes and fees receivable	---	---	616,572	532,732	---	---
Federal government receivable	36,399	---	---	---	---	3,739
Interest receivable	---	---	---	105,401	30,478	---
Miscellaneous receivables, net	---	16,807,379	---	---	---	---
Loans receivable	---	---	---	---	84,585	---
Total assets	$ 1,281,164	$ 16,807,379	$ 6,492,916	$17,699,368	$ 4,946,993	$ 377,202
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	$ 420	$ 16,807,379	$ 14,630	$ 726,810	$ ---	$ 3,739
Accrued payroll	35,868	---	23,218	110,637	---	---
Unearned revenue	1,426,145	---	---	---	---	---
Total liabilities	1,462,433	16,807,379	37,848	837,447	---	3,739
Deferred Inflows of Resources						
Unavailable revenues	---	---	---	---	---	---
Total deferred inflows of resources	---	---	---	---	---	---
Fund Balances						
Unassigned	(181,269)	---	---	---	---	---
Restricted – highways and transportation	---	---	6,455,068	16,861,921	4,946,993	373,463
Total fund balances	(181,269)	---	6,455,068	16,861,921	4,946,993	373,463
Total liabilities, deferred inflows of resources and fund balances	$ 1,281,164	$ 16,807,379	$ 6,492,916	$17,699,368	$ 4,946,993	$ 377,202

Grade Crossing Safety Fund	Railroad Expense Fund	Highway Safety Fund	Motorcycle Safety Fund	Waterways And Ports Trust Fund	Medal of Honor Fund	Total 2026	Total 2025
$ 3,044,199	$2,883,509	$ 148,564	$ 289,095	$12,900,426	$ 452,541	$ 31,289,752	$ 25,161,382
---	---	---	---	---	---	17,816,319	20,486,761
49,829	---	---	---	---	---	1,199,133	833,053
---	---	35,016	---	---	---	75,154	8,313,457
---	---	---	---	104,130	---	240,009	203,040
611	228,371	5,044	---	---	1,299	17,042,704	11,083,047
---	---	---	---	---	---	84,585	171,815
$ 3,094,639	$3,111,880	$ 188,624	$ 289,095	$13,004,556	$ 453,840	$ 67,747,656	$ 66,252,555
$ 117,331	$ 18,513	$ 3,938	$ ---	$ 1,858,582	$ ---	$ 19,551,342	$ 19,434,774
---	71,359	31,078	---	---	---	272,160	180,356
---	---	---	---	---	---	1,426,145	1,473,893
117,331	89,872	35,016	---	1,858,582	---	21,249,647	21,089,023
---	---	---	---	---	---	---	---
---	---	---	---	---	---	---	---
---	---	---	---	---	---	(181,269)	(470,393)
2,977,308	3,022,008	153,608	289,095	11,145,974	453,840	46,679,278	45,633,925
2,977,308	3,022,008	153,608	289,095	11,145,974	453,840	46,498,009	45,163,532
$ 3,094,639	$3,111,880	$ 188,624	$ 289,095	$13,004,556	$ 453,840	$ 67,747,656	$ 66,252,555

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds – Special Revenue
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Multimodal Federal and Stimulus Fund	State General Revenue and Budget Stabilization Fund	State Transportation Fund	Aviation Trust Fund	State Transportation Assistance Revolving Fund	MCS Federal Fund
Revenues						
Fuel taxes	$ ---	$ ---	$ ---	$ 269,598	$ ---	$ ---
Sales taxes	---	---	6,564,730	5,733,001	---	---
Licenses, fees and permits	---	---	---	---	500	---
Intergovernmental/cost reimbursements/miscellaneous	3,640,510	---	236,815	---	---	163,625
Investment earnings	---	---	7,158	631,720	169,899	---
State government	---	375,469,285	---	---	---	---
Federal government	100,176,314	---	---	---	---	3,924,954
Total revenues	103,816,824	375,469,285	6,808,703	6,634,319	170,399	4,088,579
Expenditures						
Current						
Safety and operations	---	5,854,916	---	---	---	4,023,760
Program delivery	---	22,271,280	---	---	---	---
Multimodal operations	93,041,452	43,754,136	6,425,696	8,205,486	2,281	---
Capital outlay	10,357,239	108,296,037	---	---	---	---
Total expenditures	103,398,691	180,176,369	6,425,696	8,205,486	2,281	4,023,760
Excess of revenues over (under) expenditures	418,133	195,292,916	383,007	(1,571,167)	168,118	64,819
Other Financing Sources (Uses)						
Transfers in	---	---	---	---	---	---
Transfers out	(129,011)	(195,292,916)	(34,868)	(132,998)	---	---
Total other financing sources (uses)	(129,011)	(195,292,916)	(34,868)	(132,998)	---	---
Net Changes in Fund Balances	289,122	---	348,139	(1,704,165)	168,118	64,819
Fund Balances, beginning of year	(470,391)	---	6,106,929	18,566,086	4,778,875	308,644
Fund Balances, end of year	$ (181,269)	$ ---	$ 6,455,068	$16,861,921	$ 4,946,993	$ 373,463

Grade Crossing Safety Fund	Railroad Expense Fund	Highway Safety Fund	Motorcycle Safety Fund	Waterways and Ports Trust Fund	Medal of Honor Fund	Total 2026	Total 2025
$ ---	$ ---	$ ---	$ ---	$ ---	$ ---	$ 269,598	$ 262,239
---	---	---	---	---	---	12,297,731	11,580,602
1,319,548	2,152,411	---	195,238	---	---	3,667,697	3,661,274
---	---	1,277	---	---	427,167	4,469,394	2,595,673
1,566	---	---	---	501,597	33,073	1,345,013	1,240,314
---	---	---	---	---	---	375,469,285	382,051,869
---	---	22,822,958	---	---	---	126,924,226	126,067,904
1,321,114	2,152,411	22,824,235	195,238	501,597	460,240	524,442,944	527,459,875
---	---	22,922,043	185,613	---	6,400	32,992,732	27,305,962
---	---	---	---	---	---	22,271,280	13,629,153
1,576,582	906,606	---	---	13,099,299	---	167,011,538	182,022,920
667,260	6,600	---	---	---	---	119,327,136	115,391,373
2,243,842	913,206	22,922,043	185,613	13,099,299	6,400	341,602,686	338,349,408
(922,728)	1,239,205	(97,808)	9,625	(12,597,702)	453,840	182,840,258	189,110,467
---	---	---	---	14,181,960	---	14,181,960	11,271,960
---	(97,948)	---	---	---	---	(195,687,741)	(189,296,665)
---	(97,948)	---	---	14,181,960	---	(181,505,781)	(178,024,705)
(922,728)	1,141,257	(97,808)	9,625	1,584,258	453,840	1,334,477	11,085,762
3,900,036	1,880,751	251,416	279,470	9,561,716	---	45,163,532	34,077,770
$ 2,977,308	$ 3,022,008	$ 153,608	$ 289,095	$ 11,145,974	$ 453,840	$ 46,498,009	$ 45,163,532



This page intentionally left blank

Combining Financial Statements Proprietary Funds

Combining Statements of Net Position

Proprietary Funds – Internal Service

June 30, 2026

With Summarized Financial Information for 2025

	MoDOT & MSHP Medical and Life Insurance Plan	MHTC Self Insurance Plan	Total 2026	Total 2025 (restated)
Assets				
Current assets				
Cash and cash equivalents	$ 10,584,229	$ 6,709,915	$ 17,294,144	$ 16,256,901
Investments	19,343,644	41,106,625	60,450,269	75,838,963
Restricted investments	---	200,000	200,000	200,000
Interest receivable	116,210	637,206	753,416	341,070
Miscellaneous receivables	3,345,542	---	3,345,542	2,432,249
Total current assets	33,389,625	48,653,746	82,043,371	95,069,183
Noncurrent assets				
Investments	14,619,175	60,959,207	75,578,382	59,192,863
Total noncurrent assets	14,619,175	60,959,207	75,578,382	59,192,863
Total assets	48,008,800	109,612,953	157,621,753	154,262,046
Liabilities				
Current liabilities				
Accounts payable	5,122	61,597	66,719	51,279
Unearned revenue	8,361,971	---	8,361,971	7,893,606
Pending self insurance claims	---	18,888,000	18,888,000	18,032,000
Incurred but not reported claims	12,400,000	11,476,000	23,876,000	20,446,000
Total current liabilities	20,767,093	30,425,597	51,192,690	46,422,885
Noncurrent liabilities				
Pending self insurance claims	---	31,795,253	31,795,253	32,958,403
Incurred but not reported claims	---	19,317,000	19,317,000	22,255,000
Total noncurrent liabilities	---	51,112,253	51,112,253	55,213,403
Total liabilities	20,767,093	81,537,850	102,304,943	101,636,288
Net Position				
Restricted net position	---	200,000	200,000	200,000
Unrestricted net position	27,241,707	27,875,103	55,116,810	52,425,758
Total net position	$ 27,241,707	$ 28,075,103	$ 55,316,810	$ 52,625,758

Combining Statements of Revenues, Expenses and Changes in Net Position

Proprietary Funds – Internal Service

Year Ended June 30, 2026

With Summarized Financial Information for 2025

	MoDOT & MSHP Medical and Life Insurance Plan	MHTC Self Insurance Plan	Total 2026	Total 2025 (restated)
Operating Revenues				
Self insurance premiums				
Highway workers' compensation	$ ---	$ 11,697,141	$ 11,697,141	$ 9,000,000
Highway patrol workers' compensation	---	3,000,000	3,000,000	3,000,000
Highway fleet vehicle liability	---	3,000,000	3,000,000	3,000,000
Highway general liability	---	9,000,000	9,000,000	4,000,003
Medical insurance premiums				
State	120,132,646	---	120,132,646	107,953,031
Member	38,971,920	---	38,971,920	36,583,526
Other	9,281,078	627,252	9,908,330	10,126,009
Total operating revenues	168,385,644	27,324,393	195,710,037	173,662,569
Operating Expenses				
Self insurance programs				
Highway workers' compensation	---	12,211,587	12,211,587	7,680,749
Highway patrol workers' compensation	---	5,689,418	5,689,418	3,166,196
Highway fleet vehicle liability	---	2,100,428	2,100,428	1,324,964
Highway general liability	---	6,450,469	6,450,469	11,893,252
Other	---	1,038,690	1,038,690	1,005,937
Medical and life insurance program				
Insurance premiums	8,352,960	---	8,352,960	8,097,759
Medical benefits	113,754,242	---	113,754,242	110,717,661
Prescription drug benefits	29,328,889	---	29,328,889	31,118,887
Professional fees	468,944	---	468,944	386,847
Administrative services	19,542,973	---	19,542,973	12,364,160
Total operating expenses	171,448,008	27,490,592	198,938,600	187,756,412
Operating income (loss)	(3,062,364)	(166,199)	(3,228,563)	(14,093,843)
Nonoperating Revenues				
Net appreciation and investment income	1,703,529	4,216,086	5,919,615	8,146,671
Total nonoperating revenues	1,703,529	4,216,086	5,919,615	8,146,671
Changes in Net Position	(1,358,835)	4,049,887	2,691,052	(5,947,172)
Net Position, beginning of year	28,600,542	24,025,216	52,625,758	58,572,930
Net Position, end of year	$ 27,241,707	$ 28,075,103	$ 55,316,810	$ 52,625,758

Combining Statements of Cash Flows

Proprietary Funds – Internal Service

Year Ended June 30, 2026

With Summarized Financial Information for 2025

	MoDOT & MSHP Medical and Life Insurance Plan	MHTC Self Insurance Plan	Total 2026	Total 2025 (restated)
Cash Flows From Operating Activities				
Receipts from interfund services provided	$ 167,472,351	$ 27,324,393	$ 194,796,744	$ 175,056,274
Payments for interfund services used	(150,067,726)	(27,167,052)	(177,234,778)	(172,984,068)
Payments to suppliers	(20,010,975)	(1,024,190)	(21,035,165)	(13,720,863)
Net cash used in operating activities	(2,606,350)	(866,849)	(3,473,199)	(11,648,657)
Cash Flows From Investing Activities				
Proceeds from sale and maturities of investments	127,389,206	156,935,977	284,325,183	223,229,534
Purchases of investments	(125,828,741)	(157,119,012)	(282,947,753)	(221,226,113)
Interest received	779,348	2,519,830	3,299,178	3,866,973
Investment fees	(43,349)	(122,817)	(166,166)	(130,707)
Net cash provided by investing activities	2,296,464	2,213,978	4,510,442	5,739,687
Net increase (decrease) in cash and cash equivalents	(309,886)	1,347,129	1,037,243	(5,908,970)
Cash and Cash Equivalents, beginning of year	10,894,115	5,362,786	16,256,901	22,165,871
Cash and Cash Equivalents, end of year	$ 10,584,229	$ 6,709,915	$ 17,294,144	$ 16,256,901
Reconciliation of Operating Loss to Net Cash Used in Operating Activities				
Operating loss)	$ (3,062,364)	$ (166,199)	$ (3,228,563)	$ (14,093,843)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities				
Receivables	(913,291)	---	(913,291)	1,393,705
Accounts and claims payable	900,940	(700,650)	200,290	1,025,273
Unearned revenue	468,365	---	468,365	26,208
Net cash used in operating activities	$ (2,606,350)	$ (866,849)	$ (3,473,199)	$ (11,648,657)
Noncash Items Impacting Recorded Assets				
Increase in fair value of investments	$ 891,922	$ 1,482,337	$ 2,374,259	$ 4,484,131

Budgetary Comparison Schedules and Reconciliations Debt Service and Nonmajor Governmental Funds

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Debt Service – State Road Bond Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$146,496,251	$146,496,251	$ ---	$ ---
Resources (inflows)				
Vehicle sales taxes	242,611,946	240,695,641	(1,916,305)	5,152,403
Interest	3,635,936	7,214,720	3,578,784	3,082,118
Incidentals	---	3,767,155	3,767,155	5,665,822
Amount available for appropriation	392,744,133	398,173,767	5,429,634	13,900,343
Charges to appropriations (outflows)				
Bond principal and interest payments	248,259,881	247,506,732	753,149	3,279,953
Total charges to appropriations	248,259,881	247,506,732	753,149	3,279,953
Budgetary fund balance, end of year	$144,484,252	$150,667,035	$ 6,182,783	$ 17,180,296

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 2026
Budgetary fund balance, end of year	$150,667,035
Receivables	24,176,189
Unavailable revenues	(107,714)
Change in fair value of investments	(781,701)
GAAP basis fund balance, end of year	$173,953,809

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – Multimodal Federal and Stimulus Funds and ARPA
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 1,016,391	$ 1,016,391	$ ---	$ ---
Resources (inflows)				
Intergovernmental/cost reimbursement/miscellaneous	---	3,684,936	3,684,936	2,903,552
Federal government	200,205,675	100,320,405	(99,885,270)	(131,787,623)
Amount available for appropriation	201,222,066	105,021,732	(96,200,334)	(128,884,071)
Charges to appropriations (outflows)				
Multimodal operations				
Personal service	806,762	729,142	77,620	81,560
Fringe benefits				
Retirement and long-term disability	434,612	270,548	164,064	87,614
Medical and life insurance	144,531	135,280	9,251	11,107
Other fringe benefits	71,365	61,684	9,681	1,197
Expense and equipment	442,443	235,702	206,741	256,784
Program	198,305,962	102,344,611	95,961,351	127,748,517
Total charges to appropriations	200,205,675	103,776,967	96,428,708	128,186,779
Budgetary fund balance, end of year	$ 1,016,391	$ 1,244,765	$ 228,374	$ (697,292)

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 2026
Budgetary fund balance, end of year	$ 1,244,765
Receivables	36,399
Payables	(36,288)
Unearned revenues	(1,426,145)
GAAP basis fund balance, end of year	$ (181,269)

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – State General Revenue and Budget Stabilization Funds
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ ---	$ ---	$ ---	$ ---
Resources (inflows)				
State government	537,616,215	174,218,006	(363,398,209)	(248,202,104)
Amount available for appropriation	537,616,215	174,218,006	(363,398,209)	(248,202,104)
Charges to appropriations (outflows)				
Safety and operations				
Program	86,366,947	69,039,548	17,327,399	66,366,947
Multimodal operations				
Program	135,088,375	52,763,037	82,325,338	71,567,954
Program delivery				
Program	316,160,893	52,415,421	263,745,472	110,267,203
Total charges to appropriations	537,616,215	174,218,006	363,398,209	248,202,104
Budgetary fund balance, end of year	$ ---	$ ---	$ ---	$ ---

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 2026
Budgetary fund balance, end of year	$ ---
Receivables	16,807,379
Payables	(16,807,379)
GAAP basis fund balance, end of year	$ ---

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental - State Transportation Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 5,653,098	$ 5,653,098	$ ---	$ ---
Resources (inflows)				
Sales taxes	6,613,000	6,418,558	(194,442)	139,099
Interest	---	7,158	7,158	(6)
Intergovernmental/cost reimbursement/ miscellaneous	---	236,815	236,815	28
Amount available for appropriation	12,266,098	12,315,629	49,531	139,121
Charges to appropriations (outflows)				
Multimodal operations				
Personal service	216,384	168,264	48,120	42,472
Fringe benefits				
Retirement and long-term disability	114,306	62,183	52,123	36,062
Medical and life insurance	38,883	29,017	9,866	2,622
Other fringe benefits	20,150	14,279	5,871	5,505
Expense and equipment	537,055	346,398	190,657	437,559
Program	7,396,844	5,819,144	1,577,700	986,624
Total charges to appropriations	8,323,622	6,439,285	1,884,337	1,510,844
Budgetary fund balance, end of year	$ 3,942,476	$ 5,876,344	$1,933,868	$1,649,965

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 2026
Budgetary fund balance, end of year	$5,876,344
Receivables	616,572
Payables	(37,848)
GAAP basis fund balance, end of year	$6,455,068

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental - Aviation Trust Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$18,424,051	$18,424,051	$ ---	$ ---
Resources (inflows)				
Fuel taxes	238,000	281,083	43,083	12,019
Sales taxes	5,400,000	5,462,572	62,572	125,624
Interest	575,000	581,023	6,023	8,984
Intergovernmental/cost Reimbursements/miscellaneous	1,000	---	(1,000)	(5,994)
Federal government	---	---	---	---
Amount available for appropriation	24,638,051	24,748,729	110,678	140,633
Charges to appropriations (outflows)				
Multimodal operations				
Personal service	873,503	680,583	192,920	258,200
Fringe benefits				
Retirement and Long-Term Disability	512,092	256,737	255,355	193,304
Medical and Life Insurance	133,442	121,047	12,395	49,048
Other Fringe Benefits	81,561	56,556	25,005	16,487
Expense and equipment	341,311	268,855	72,456	13,736
Program	10,000,000	6,230,377	3,769,623	7,074,735
Total charges to appropriations	11,941,909	7,614,155	4,327,754	7,605,510
Budgetary fund balance, end of year	$12,696,142	$17,134,574	$4,438,432	$7,746,143

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 2026
Budgetary fund balance, end of year	$17,134,574
Receivables	638,133
Payables	(837,447)
Change in fair value of investments	(73,339)
GAAP basis fund balance, end of year	$16,861,921

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – State Transportation Assistance Revolving Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 4,607,531	$ 4,607,531	$ ---	$ ---
Resources (inflows)				
Interest	148,000	159,720	11,720	11,581
License, Fees, and Permits	---	500	500	(118,000)
Intergovernmental/cost reimbursements/miscellaneous	87,231	87,231	---	117,897
Amount available for appropriation	4,842,762	4,854,982	12,220	11,478
Charges to appropriations (outflows)				
Multimodal operations				
Expense and equipment	2,281	2,281	---	---
Program	1,000,000	---	1,000,000	1,000,000
Total charges to appropriations	1,002,281	2,281	1,000,000	1,000,000
Budgetary fund balance, end of year	$ 3,840,481	$ 4,852,701	$1,012,220	$1,011,478

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 2026
Budgetary fund balance, end of year	$4,852,701
Receivables	115,063
Change in fair value of investments	(20,771)
GAAP basis fund balance, end of year	$4,946,993

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – MCS Federal Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 308,644	$ 308,644	$ ---	$ ---
Resources (inflows)				
Intergovernmental/cost reimbursements/miscellaneous	---	163,625	163,625	93
Federal government	6,150,691	3,921,215	(2,229,476)	(1,044,389)
Amount available for appropriation	6,459,335	4,393,484	(2,065,851)	(1,044,296)
Charges to appropriations (outflows)				
Safety and Operations Program	6,150,691	4,020,021	2,130,670	919,192
Total charges to appropriations	6,150,691	4,020,021	2,130,670	919,192
Budgetary fund balance, end of year	$ 308,644	$ 373,463	$ 64,819	$ (125,104)

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 2026
Budgetary fund balance, end of year	$ 373,463
Receivables	3,739
Payables	(3,739)
GAAP basis fund balance, end of year	$ 373,463

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – Grade Crossing Safety Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 4,073,917	$4,073,917	$ ---	$ ---
Resources (inflows)				
License, fees and permits	1,422,000	1,358,584	(63,416)	81,894
Interest	---	1,566	1,566	---
Amount available for appropriations	5,495,917	5,434,067	(61,850)	81,894
Charges to appropriations (outflows)				
Multimodal operations				
Expense and equipment	21,198	21,197	1	---
Program	3,000,000	2,368,671	631,329	1,127,124
Total charges to appropriations	3,021,198	2,389,868	631,330	1,127,124
Budgetary fund balance, end of year	$ 2,474,719	$3,044,199	$ 569,480	$1,209,018

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 2026
Budgetary fund balance, end of year	$3,044,199
Receivables	50,440
Payables	(117,331)
GAAP basis fund balance, end of year	$2,977,308

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – Railroad Expense Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 1,699,101	$1,699,101	$ ---	$ ---
Resources (inflows)				
License, fees and permits	2,152,000	2,152,411	411	(225,949)
Intergovernmental/cost reimbursements/miscellaneous	1,000	---	(1,000)	---
Amount available for appropriation	3,852,101	3,851,512	(589)	(225,949)
Charges to appropriations (outflows)				
Multimodal operations				
Personal service	768,493	466,884	301,609	143,731
Fringe benefits				
Retirement and Long-Term Disability	443,251	170,063	273,188	138,211
Medical and Life Insurance	122,634	91,280	31,354	22,015
Other Fringe Benefits	64,223	38,570	25,653	14,391
Expense and equipment	820,792	201,206	619,586	627,688
Total charges to appropriations	2,219,393	968,003	1,251,390	946,036
Budgetary fund balance, end of year	$ 1,632,708	$2,883,509	$1,250,801	$ 720,087

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 2026
Budgetary fund balance, end of year	$2,883,509
Receivables	228,371
Payables	(89,872)
GAAP basis fund balance, end of year	$3,022,008

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – Highway Safety Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 246,371	$ 246,371	$ ---	$ ---
Resources (inflows)				
Intergovernmental/cost reimbursements/miscellaneous	---	1,277	1,277	833
Federal government	26,087,636	22,787,942	(3,299,694)	(2,395,204)
Amount available for appropriation	26,334,007	23,035,590	(3,298,417)	(2,394,371)
Charges to appropriations (outflows)				
Safety and Operations				
Personal service	582,087	498,955	83,132	61,835
Fringe benefits				
Retirement and Long-Term Disability	310,099	169,129	140,970	57,969
Medical and Life Insurance	78,429	76,695	1,734	11,864
Other Fringe Benefits	53,851	39,716	14,135	11,717
Expense and equipment	62,587	15,676	46,911	48,168
Program	25,000,583	22,086,855	2,913,728	2,152,607
Total charges to appropriations	26,087,636	22,887,026	3,200,610	2,344,160
Budgetary fund balance, end of year	$ 246,371	$ 148,564	$ (97,807)	$ (50,211)

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 2026
Budgetary fund balance, end of year	$ 148,564
Receivables	40,060
Payables	(35,016)
GAAP basis fund balance, end of year	$ 153,608

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – Motorcycle Safety Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 279,470	$ 279,470	$ ---	$ ---
Resources (inflows)				
License, fees and permits	196,995	195,238	(1,757)	(13,492)
Amount available for appropriation	476,465	474,708	(1,757)	(13,492)
Charges to appropriations (outflows)				
Safety and operations				
Expense and equipment	3,265	3,265	---	---
Program	250,000	182,348	67,652	46,012
Total charges to appropriations	253,265	185,613	67,652	46,012
Budgetary fund balance, end of year	$ 223,200	$ 289,095	$ 65,895	$ 32,520

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 2026
Budgetary fund balance, end of year	$ 289,095
GAAP basis fund balance, end of year	$ 289,095

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – Waterways and Ports Trust Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ 9,503,610	$ 9,503,610	$ ---	$ ---
Resources (inflows)				
Interest	445,994	455,573	9,579	138,025
Amount available for appropriation	9,949,604	9,959,183	9,579	138,025
Charges to appropriations (outflows)				
Multimodal operations				
Program	20,000,000	11,240,717	8,759,283	18,093,625
Total charges to appropriations	20,000,000	11,240,717	8,759,283	18,093,625
Transfers from State Treasury Fund	14,181,960	14,181,960	---	---
Budgetary fund balance, end of year	$ 4,131,564	$12,900,426	$ 8,768,862	$18,231,650

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 2026
Budgetary fund balance, end of year	$12,900,426
Receivables	104,130
Payables	(1,858,582)
GAAP basis fund balance, end of year	$11,145,974

Supplementary Information –

Budgetary Comparison Schedule and Reconciliation
Nonmajor Governmental – Medal of Honor Fund
Year Ended June 30, 2026
With Summarized Financial Information for 2025

	Final Budgeted Amounts	Actual	Variances Between Final Budget and Actual 2026	Variances Between Final Budget and Actual 2025
Budgetary fund balance, beginning of year	$ ---	$ ---	$ ---	$ ---
Resources (inflows)				
Interest	31,736	33,073	1,337	---
Intergovernmental/cost Reimbursements/miscellaneous	494,905	425,868	(69,037)	---
Amount available for appropriation	526,641	458,941	(67,700)	---
Charges to appropriations (outflows)				
Multimodal operations				
Expense and equipment	250,000	6,400	243,600	---
Total charges to appropriations	250,000	6,400	243,600	---
Budgetary fund balance, end of year	$ 276,641	$ 452,541	$ 175,900	$ ---

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 2026
Budgetary fund balance, end of year	$ 452,541
Receivables	1,299
GAAP basis fund balance, end of year	$ 453,840

Statistical Section



This page intentionally left blank

Index and Overview
Statistical Section

Financial Trends — **Page**

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

Net Position – Government-wide	131
Changes in Net Position – Government-wide	132
Changes in Fund Balances – Governmental Funds	134
Fund Balances – Governmental Funds	136
Expenditures of Federal Awards	137

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	138
Revenue Rates – State Motor Fuel Taxes	139
Principal Revenue Suppliers – State Motor Fuel Taxes	140

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	142
Pledged Revenue Coverage Related to Revenue Bonds	144

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	146
Employment Sectors	147
Gross Domestic Product by Industry	148
Licensed Drivers with Population Data	149
Vehicle Registrations with Fuel Tax Receipts	150

Operating Information

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

Demand and Level of Service Indicators	151
Capital Asset Indicators	154
Employee Full-Time Equivalents (FTE)	156

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)

Year	Net Investment in Capital Assets	Restricted	Unrestricted	Total
2026	$35,960,980	$1,070,660	$ ---	$37,031,640
2025	34,295,362	572,715	---	34,868,077
2024	32,719,581	330,132	---	33,049,713
2023	31,372,178	204,099	---	31,576,277
2022	30,695,167	300	(232,088)	30,463,379
2021	30,081,129	300	(239,694)	29,841,735
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

Notes:

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 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.

Amounts for fiscal years 2021, 2023, and 2025 were restated for an error correction.

Amounts for fiscal year 2022 were restated for an error correction and the implementation of GASB 96, *Subscription-Based Information Technology Arrangements*.

Amounts for fiscal year 2024 were restated for an error correction and the implementation of GASB 101, *Compensated Absences.*

Financial Trends
Changes in Net Position – Government-wide
Years Ended June 30

(Amounts in Thousands)

	2026	2025	2024	2023
Transportation Program Expenses				
Administration	$ 7,076	$ 8,424	$ 8,864	$ 7,331
Fleet, facilities and information systems	35,672	38,788	35,360	36,799
Safety and operations	500,427	461,198	429,699	415,080
Program delivery	388,956	313,981	268,804	212,015
Multimodal operations	166,746	181,072	123,887	96,989
Interest	52,223	55,570	61,329	55,940
Other state agencies	330,941	312,579	302,383	263,773
Self insurance	27,491	25,071	31,068	22,440
Medical and life insurance	171,448	162,685	146,794	147,671
Pension obligations	45,204	118,499	110,690	77,631
Other postemployment benefit obligations	(33,737)	(76,533)	(58,116)	(1,673)
Depreciation	723,070	687,487	666,038	646,499
Total transportation program expenses	2,415,517	2,288,821	2,126,800	1,980,495
Transportation Program Revenues				
Charges for services				
Licenses, fees and permits	341,735	342,649	332,185	346,392
Intergovernmental/cost reimbursements/misc.	114,786	113,339	136,077	141,694
Interest	28	(110)	356	11
Member insurance premiums	38,972	36,584	34,834	40,412
Total charges for services	495,521	492,462	503,452	528,509
Federal government				
American Recovery and Reinvestment Act	7,505	8,683	9,654	10,614
Operating	126,924	126,036	93,241	76,640
Capital	1,654,574	1,467,904	1,420,420	1,160,414
Total federal government	1,789,003	1,602,623	1,523,315	1,247,668
Total transportation program revenues	2,284,524	2,095,085	2,026,767	1,776,177
Net expense of transportation program revenues	(130,993)	(193,736)	(100,033)	(204,318)
General Revenues				
Fuel taxes	890,102	799,350	737,886	658,470
Sales and use taxes	500,581	474,332	474,948	457,119
Unrestricted investment earnings	85,878	117,745	105,929	8,160
State appropriations	707,057	555,926	309,159	187,182
Donated assets	112,370	54,708	23,459	10,944
Gain (loss) on lease modification	14	---	---	1
Gain (loss) on sale of capital assets	(1,446)	(1,519)	(8,731)	(4,660)
Total general revenues	2,294,556	2,000,542	1,642,650	1,317,216
Changes in Net Position	$2,163,563	$1,806,806	$1,542,617	$1,112,898

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 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.
Amounts for fiscal years 2021, 2023, and 2025 were restated for an error correction.
Amounts for fiscal year 2022 were restated for an error correction and the implementation of GASB 96, *Subscription-Based Information Technology Arrangements.*
Amounts for fiscal year 2024 were restated for an error correction and the implementation of GASB 101, *Compensated Absences.*

2022	2021	2020	2019	2018	2017
$ 4,067	$ 1,233	$ 11,241	$ 14,133	$ 8,890	$ 24,255
33,841	33,026	31,036	33,329	30,820	28,961
385,360	339,587	360,106	356,189	362,107	345,807
178,212	176,679	184,358	196,633	229,248	210,252
101,258	95,340	85,832	92,945	86,224	100,952
55,724	62,545	66,973	75,581	82,922	93,643
236,367	187,985	212,480	228,881	224,811	234,614
23,105	28,141	13,155	12,456	21,315	9,671
157,386	149,675	140,749	134,871	143,637	123,668
81,681	128,335	107,973	85,991	76,746	87,675
33,608	35,597	19,104	28,669	38,289	43,615
631,882	592,143	568,021	545,753	520,620	512,940
1,922,491	1,830,286	1,801,028	1,805,431	1,825,629	1,816,053
342,710	345,691	322,385	324,714	314,074	304,982
96,270	58,837	100,453	61,633	87,171	74,794
8	---	---	5	---	32
46,934	47,263	47,366	47,665	47,072	44,803
485,922	451,791	470,204	434,017	448,317	424,611
11,529	11,860	12,142	12,379	12,617	19,450
86,454	91,643	73,685	80,079	69,465	78,484
931,556	1,252,881	973,625	873,877	949,145	847,191
1,029,539	1,356,384	1,059,452	966,335	1,031,227	945,125
1,515,461	1,808,175	1,529,656	1,400,352	1,479,544	1,369,736
(407,030)	(22,111)	(271,372)	(405,079)	(346,085)	(446,317)
584,824	504,371	497,662	512,454	521,273	512,713
414,472	443,561	376,818	363,664	378,765	363,279
(60,538)	800	25,787	30,468	8,662	3,854
73,633	57,914	67,116	19,494	13,912	22,136
9,507	---	---	---	---	---
---	---	---	---	---	---
(3,281)	(4,457)	1,272	(14,519)	(11,675)	(13,028)
1,018,617	1,002,189	968,655	911,561	910,937	888,954
$ 611,587	$ 980,078	$ 697,283	$ 506,482	$ 564,852	$ 442,637

Financial Trends
Changes in Fund Balances – Governmental Funds
Years Ended June 30

(Amounts in Thousands)

	2026	2025	2024	2023
Revenues				
Fuel taxes	$ 890,102	$ 799,350	$ 737,886	$ 658,470
Sales and use taxes	500,581	474,332	474,947	457,119
Licenses, fees and permits	341,732	342,649	332,185	346,393
Intergovernmental/cost reimbursements/miscellaneous	74,750	101,053	113,808	135,502
Investment earnings	79,867	109,700	97,715	7,681
American Recovery and Reinvestment Act	7,505	8,683	9,654	10,614
State government	707,057	555,927	309,159	187,182
Federal government	1,781,500	1,598,546	1,516,853	1,231,862
Total revenues	4,383,094	3,990,240	3,592,207	3,034,823
Expenditures				
Administration	62,407	62,657	60,870	55,044
Fleet, facilities and information systems	46,697	51,312	48,052	48,067
Safety and operations	608,200	589,604	557,579	529,110
Program delivery	447,187	377,866	333,075	270,202
Multimodal operations	168,281	182,934	125,766	98,388
Capital outlay	2,379,346	1,972,523	1,732,496	1,575,036
Debt service – principal	388,303	390,646	373,839	240,132
Debt service – interest	59,752	77,382	91,450	65,936
Other state agencies	372,680	350,281	335,912	294,393
Total expenditures	4,532,853	4,055,205	3,659,039	3,176,308
Excess of revenues over (under) expenditures	(149,759)	(64,965)	(66,832)	(141,485)
Other Financing Sources (Uses)				
Notes issued	---	13,276	25,304	24,396
Bonds issued	1,090,300	---	381,610	453,005
Refunding bonds issued	---	---	---	---
Refunding bonds escrow payment	---	---	---	---
Premium on bonds	79,275	---	9,289	47,643
Leases	488	2,155	137	4,320
SBITA	2,809	150	5,681	---
Capital asset sales	5,640	5,367	5,977	7,209
Transfers in	946,886	858,126	793,183	673,324
Transfers out	(946,886)	(858,126)	(793,183)	(673,324)
Total other financing sources (uses)	1,178,512	20,948	427,998	536,573
Net Changes in Fund Balances	$ 1,028,753	$ (44,017)	$ 361,166	$ 395,088
Debt service as a percentage of noncapital expenditures	21%	22%	24%	19%
Debt service as a percentage of total revenues	10%	12%	13%	10%

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 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.
Amounts for fiscal year 2021, 2024, and 2025 were restated for error corrections.
Amounts for fiscal year 2022 were restated due to the implementation of GASB 96, *Subscription-Based Information Technology Arrangements*.

2022	2021	2020	2019	2018	2017
$ 584,824	$ 504,371	$ 497,661	$ 512,454	$ 521,273	$ 512,714
414,472	443,561	376,818	363,664	378,765	363,279
342,709	345,870	322,245	324,714	314,073	305,001
73,024	49,789	96,374	53,711	77,023	63,372
(52,687)	488	20,422	24,220	8,553	3,565
11,529	11,860	12,142	12,379	12,617	19,449
73,633	57,914	67,116	19,494	13,912	22,136
1,017,643	1,345,263	1,045,115	959,101	1,019,594	923,970
2,465,147	2,759,116	2,437,893	2,269,737	2,345,810	2,213,486
52,105	49,571	57,742	61,251	55,773	50,824
44,408	42,638	40,578	43,428	40,278	38,272
496,561	448,624	478,519	470,912	474,914	456,464
231,823	231,324	240,407	254,929	283,592	278,781
102,670	96,584	87,018	94,183	87,452	102,144
1,091,190	1,019,631	1,003,221	835,059	854,871	711,180
236,379	215,475	169,244	209,355	200,237	308,650
74,235	85,485	82,414	92,870	102,274	117,312
267,219	219,126	243,641	260,140	255,141	262,666
2,596,590	2,408,458	2,402,784	2,322,127	2,354,532	2,326,293
(131,443)	350,658	35,109	(52,390)	(8,722)	(112,807)
8,834	136	---	---	---	---
88,955	---	178,370	---	---	---
---	---	---	102,705	---	---
---	---	23,143	(111,483)	---	---
11,439	---	---	9,148	---	---
632	---	---	---	---	17
---	---	---	---	---	---
4,560	4,397	18,705	5,307	9,089	5,442
547,656	525,674	532,562	487,872	461,293	459,141
(547,656)	(525,674)	(532,562)	(487,872)	(461,293)	(459,141)
114,420	4,533	220,218	5,677	9,089	5,459
$ (17,023)	$ 355,191	$ 255,327	$ (46,713)	$ 367	$ (107,348)
21%	22%	18%	20%	20%	26%
13%	11%	10%	13%	13%	19%

Financial Trends
Fund Balances – Governmental Funds
Years Ended June 30

(Amounts in Thousands)

Year	Nonspendable*	Restricted - Highways and Transportation	Unassigned	Total
2026	$ 72,805	$3,101,613	$ (181)	$3,174,237
2025	61,022	2,084,931	(470)	2,145,483
2024	55,335	2,134,197	(32)	2,189,500
2023	52,368	1,775,966	---	1,828,334
2022	48,261	1,386,273	(1,288)	1,433,246
2021	41,855	1,409,272	(1,511)	1,449,616
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

Notes:

*The nonspendable fund balance represents prepaid assets and inventories held.

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.

Amounts for fiscal year 2021 were restated for an error correction.

Amounts for fiscal year 2022 were restated due to the implementation of GASB 96, *Subscription-Based Information Technology Arrangements*.

Financial Trends
Expenditures of Federal Awards

Years Ended June 30

(Amounts in Thousands)

Year	Roads and Bridges	Multimodal	Motor Carriers	Highway Safety	Total
2025	$1,463,666	$95,780	$11,243	$ 22,523	$1,593,212
2024	1,417,282	67,604	9,727	21,231	1,515,844
2023	1,156,305	65,279	12,839	20,137	1,254,560
2022	926,876	68,080	9,107	17,219	1,021,282
2021	1,249,086	64,476	---	15,083	1,328,645
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

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 2026 data is not yet available.

Revenue Capacity
Revenue Base – State Motor Fuel Taxes

Years Ended June 30

(Amounts in Thousands)

Year	Gallons	Net State Receipts	Distribution		
			Cities	Counties	MoDOT
2026	4,170,887	$1,217,993	$ 182,072	$ 159,128	$ 876,793
2025	4,115,384	1,094,149	165,280	142,356	786,513
2024	4,150,229	1,001,690	150,310	127,329	724,051
2023	4,163,617	941,753	137,900	114,657	689,196
2022	4,219,292	733,673	113,963	91,253	528,457
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

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)

Year	Total Fuel Tax Rate	Local Governments	MoDOT
2026	29.50	8.30	21.20
2025	27.00	7.55	19.45
2024	24.50	6.80	17.70
2023	22.00	6.05	15.95
2022	19.50	5.30	14.20
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

Source:

MoDOT Financial Services Division

Note:

The 2021 enactment of Senate Bill 262 increased the state motor fuel tax beginning with 2.5 cents in October 2021 and increased by 2.5 cents on July 1 each year until reaching a total additional 12.5 cents per gallon on July 1, 2025. The tax is now fully implemented, and Missouri's state gas tax is 29.5 cents.

Revenue Capacity
Principal Revenue Suppliers – State Motor Fuel Taxes

Year Ended June 30

(Amounts in Thousands)

	2026	2017
Gallons from top ten suppliers	4,170,887	3,592,978
Net revenue from top ten suppliers	$ 876,128	$ 610,806
Net revenue from all suppliers	$1,217,993	$ 699,355
Percentage from top ten suppliers	72%	87%

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 were 120 total suppliers in fiscal year 2026.



This page intentionally left blank

Debt Capacity
Ratios of Outstanding Debt

Years Ended June 30

(Amounts in Thousands Except Per Capita)

		Debt Outstanding at June 30			
Year	Road Bonds	Notes Issued	Leases	Subscriptions	Total
2026	$1,842,335	$ 35,967	$ 5,570	$ 2,006	$1,885,878
2025	1,127,955	44,724	6,200	2,080	1,180,959
2024	1,506,100	40,727	5,882	3,790	1,556,499
2023	1,483,270	26,896	29,688	---	1,539,854
2022	1,265,170	6,334	26,783	---	1,298,287
2021	1,408,715	136	---	---	1,408,851
2020	1,624,190	---	---	---	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

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.

Amounts for fiscal year 2024 were restated for an error correction.

Ratio of Debt to Income		Ratio of Debt to Population	
Personal Income	**Percentage of Personal Income**	**Population**	**Per Capita**
$429,318,900	0.44%	6,271	$301
409,282,200	0.29	6,245	189
385,864,800	0.40	6,196	251
358,840,300	0.43	6,178	249
335,960,100	0.39	6,168	210
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

Debt Capacity
Pledged Revenue Coverage Related to Revenue Bonds

Years Ended June 30

(Amounts in Thousands Except Coverage)

				Senior Lien Bonds		
Year	Senior Bond Revenues (1)	Operating Expenses (2)	Senior Net Pledged Revenues Available	Principal	Interest	Coverage
2026	$1,477,679	$ 483,505	$ 994,174	$ ---	$ ---	---
2025	1,386,570	500,181	886,389	---	---	---
2024	1,306,747	491,745	815,002	---	---	---
2023	1,282,115	435,921	846,194	17,665	883	45.62
2022	1,087,747	398,126	689,621	16,815	1,724	37.20
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	977,222	389,546	587,676	61,200	6,347	9.00
2018	994,132	383,969	610,163	58,455	9,270	9.01
2017	973,349	388,116	585,233	54,545	16,534	8.23

				Federal Reimbursement		
Year	Federal Reimbursement Revenues (5)	Expenses	Federal Reimbursement Bonds Net Pledged Revenues	Principal	Interest (6)	Coverage
2026	$1,397,657	$ ---	$1,397,657	$ 33,925	$ 13,872	29.24
2025	1,311,960	---	1,311,960	52,445	19,260	18.30
2024	1,270,816	---	1,270,816	50,610	18,375	18.42
2023	1,047,777	---	1,047,777	48,870	16,768	15.96
2022	807,057	---	807,057	47,210	18,477	12.29
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

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, Second, Third Lien Revenues (3)	First, Second, Third Lien Net Pledged Revenues (4)	First Lien			Second Lien			Third Lien		
		Principal	Interest	Coverage	Principal	Interest	Coverage	Principal	Interest	Coverage
$ 240,695	$1,234,870	$ 104,510	$ 5,153	11.26	$ ---	$ ---	---	$ 107,965	$ 27,281	5.04
240,718	1,127,107	99,535	10,099	10.28	3,130	89	9.99	100,810	32,236	4.58
228,685	1,043,687	94,815	14,911	9.51	4,245	306	9.13	80,375	44,432	4.37
222,044	1,049,690	86,795	19,228	9.90	22,430	1,428	8.08	59,145	15,277	5.14
202,564	873,645	72,285	22,827	9.19	36,820	3,269	6.46	59,370	15,085	4.17
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

Mega Projects State Appropriations	Excess Net Pledged State Revenues	Mega Projects State Appropriations Bonds		
		Principal	Interest (6)	Coverage
$ 135,906	$ 989,961	$ 129,520	$ 6,386	8.28
135,861	881,207	123,355	12,506	7.49
135,996	804,603	128,735	7,254	6.92
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---
---	---	---	---	---

Demographic and Economic Information
Population, Personal Income and Unemployment Rate

Years Ended December 31

(Amounts in Thousands)

Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2025	6,271	$429,318,900	$68	3.4%
2024	6,245	409,282,200	65	3.2
2023	6,196	385,864,800	62	2.9
2022	6,178	358,840,300	58	2.2
2021	6,168	335,960,100	54	3.4
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

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)

	2025			2016		
	Employees	**Rank**	**Percentage**	**Employees**	**Rank**	**Percentage**
Trade, transportation and utilities	570	1	19%	550	1	19%
Education and health services	543	2	18	459	2	16
Government	440	3	15	446	3	16
Professional and business services	366	4	12	387	4	14
Leisure and hospitality	297	5	10	295	5	10
Manufacturing	279	6	9	260	6	9
Financial activities	187	7	6	173	7	6
Construction, natural resources and mining	157	8	5	124	9	4
Other services	116	9	4	116	8	4
Information	46	10	2	51	10	2
Total	3,001		100%	2,861		100%

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)

	2025			2016		
	GDP	Rank	Percentage	GDP	Rank	Percentage
Financial activities	$ 92,903	1	20%	$ 59,468	1	20%
Trade, transportation and utilities	89,370	2	19	55,963	2	18
Professional and business services	58,055	3	12	38,043	3	13
Manufacturing	51,557	4	11	36,219	4	12
Education and health services	50,498	5	11	30,785	6	10
Government	48,508	6	10	36,011	5	12
Construction, natural resources and mining	23,591	7	5	12,884	9	4
Leisure and hospitality	20,321	8	4	12,412	7	4
Information	15,789	9	3	11,757	8	4
Other services	11,268	10	3	7,251	10	2
Agriculture, forestry, fishing and hunting	6,611	11	2	3,351	11	1
Total	$468,471		100%	$304,144		100%

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)

Year	Licensed Drivers	Change in Licensed Drivers	Population	Change in Population
2025	4,354	21	6,271	26
2024	4,333	25	6,245	49
2023	4,308	18	6,196	28
2022	4,290	15	6,168	16
2021	4,275	15	6,152	15
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

Sources:

Licensed Drivers: Missouri Department of Revenue for federal reporting

Population: United States Department of Commerce, Census Bureau

Notes:

Fiscal year 2026 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)

Fiscal Year	Registrations	Percentage Change in Registrations	Net State Fuel Tax Receipts	Percentage Change in Fuel Tax Receipts	Fuel Tax Receipts per Registration
2025	7,024	4.6%	$1,094,149	9.2%	$156
2024	6,717	0.8	1,001,690	6.4	149
2023	6,665	1.1	941,753	28.4	141
2022	6,590	(2.7)	733,673	9.0	111
2021	6,775	2.8	673,206	(2.8)	99
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

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 2026 registrations data is not yet available.

Operating Information
Demand and Level of Service Indicators
Years Ended December 31

Year	Daily Vehicle Miles Traveled (Amounts in Thousands)			Population (Amounts in Thousands)	Average Daily Miles Per Capita
	State Highways	Non-State Highways	Total Public Highways		
2025	148,628	74,991	223,619	6,271	35.7
2024	147,405	74,548	221,953	6,245	35.5
2023	148,269	71,696	219,965	6,196	35.5
2022	145,387	70,745	216,132	6,178	35.0
2021	142,430	74,639	217,069	6,168	35.2
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	204,168	6,093	33.5

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

		Travel Information by Mode		
Year	Freight Tonnage (Amounts in Millions)(1) (2)	Number of Transit Passengers	Number of River Runner Rail Passengers	Number of Airline Passengers (Amounts in Millions) (2)
2026	n/a-cy	n/a-src	212,800	n/a-src
2025	n/a-cy	38,050,442	197,400	14.0
2024	659	40,809,744	182,300	14.6
2023	673	35,295,344	145,400	13.7
2022	658	32,887,525	114,300	12.2
2021	758	30,000,000	57,700	9.5
2020	670	47,600,000	118,000	5.6
2019	679	56,100,000	156,000	14.3
2018	695	58,600,000	173,000	14.1
2017	690	62,500,000	171,000	13.5

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.

Road and Bridge Projects		Safety		
Percent of Programmed Project Cost As Compared To Final Project Cost (3)	Percent of Projects Completed on Time	Number of Fatalities from Traffic Crashes (2) (4)	Number of Serious Injuries from Traffic Crashes (2) (4)	Percent of Stripes on Major Roads In Good Condition (2) (5)
1.50%	81%	n/a-cy	n/a-cy	n/a-cy
6.20	85	909	5,106	n/a-cy
2.30	76	955	5,398	87.7%
(2.90)	79	991	5,221	82.0
(4.30)	84	1,057	5,051	70.8
(4.30)	69	1,016	5,268	58.3
(9.20)	76	987	4,788	48.0
(4.10)	75	881	4,489	n/a
(6.00)	75	921	4,717	31.9
(0.50)	68	932	4,886	77.0

Operating Information
Capital Asset Indicators (1)

Years Ended December 31

Year	Centerline Miles	Percentage of Major Highways In Good Condition	Number of Bridges in Poor Condition (2)
2025	33,805	89.8%	726
2024	33,815	89.9	752
2023	33,811	89.9	759
2022	33,809	89.2	804
2021	33,826	90.3	823
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

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) In 2017, MoDOT revised the definition of bridges in 'poor condition' to better align with FHWA standards. Fiscal years 2016 was restated to reflect the revision.

Operating Information
Capital Asset Indicators
Years Ended December 31

Functional Classification	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Rural										
Interstate	841	841	841	847	847	842	842	842	842	842
Freeway/expressway	1,100	1,100	1,100	1,125	1,125	1,125	1,125	1,125	1,125	1,020
Principal arterial	1,866	1,866	1,866	1,883	1,883	1,888	1,877	1,876	1,876	1,958
Minor arterial	3,957	3,958	3,958	3,970	3,972	3,967	3,980	3,980	3,976	3,935
Major collector	15,970	15,969	15,966	15,978	15,961	15,962	15,971	15,972	15,977	16,138
Minor collector	5,957	5,958	5,960	5,980	5,981	5,981	5,979	5,978	5,979	5,940
Local	964	962	962	972	996	991	983	980	980	925
Urban										
Interstate	544	544	544	538	538	538	538	538	538	538
Freeway/expressway	508	508	508	483	483	483	483	483	483	476
Principal arterial	662	664	659	640	641	640	638	640	643	646
Minor arterial	585	584	589	565	569	574	577	584	587	591
Major collector	498	505	499	485	479	483	477	485	487	520
Minor collector	61	61	61	58	57	57	56	56	56	22
Local	292	295	298	285	294	299	306	299	310	305
Total centerline miles	33,805	33,815	33,811	33,809	33,826	33,830	33,832	33,838	33,859	33,856
Statewide Composite										
Interstate	1,385	1,385	1,385	1,385	1,385	1,380	1,380	1,380	1,380	1,379
Freeway/expressway	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,609	1,496
Arterial	7,070	7,072	7,071	7,058	7,065	7,069	7,072	7,080	7,081	7,130
Collector	22,486	22,493	22,487	22,501	22,478	22,483	22,483	22,491	22,499	22,621
Local	1,256	1,257	1,260	1,257	1,290	1,290	1,289	1,279	1,290	1,230
Total centerline miles	33,805	33,815	33,811	33,809	33,826	33,830	33,832	33,838	33,859	33,856

Operating Information
Employee Full-Time Equivalents (FTE)*
Years Ended June 30

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
District offices	4,214	3,997	4,005	3,749	4,220	4,302	4,537	4,655	4,572	4,597
Central office	873	823	802	721	729	712	732	754	759	755
Total	5,087	4,820	4,807	4,470	4,949	5,014	5,269	5,409	5,331	5,352

*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

RubinBrown

7676 Forsyth Blvd
Suite 2100
St. Louis, MO 63105

T: 314.290.3300
E: info@rubinbrown.com
www.RubinBrown.com

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

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 (*Government Auditing Standards)*, 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, 2026, 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, 2026.

Report on 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.

Report On 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, 2026