COMPREHENSIVE ANNUAL FINANCIAL REPORT

MDFB

MISSOURI DEVELOPMENT FINANCE BOARD

A Component Unit of the State of Missouri

For the Years Ended June 30, 2019 and 2018

2019

Comprehensive Annual Financial Report

For the Fiscal Years Ended June 30, 2019 and 2018

Missouri Development Finance Board
A Component Unit of the State of Missouri

Prepared by the Accounting Department
Erica Griffin, CPA, Controller
Ryan Vermette, Compliance Officer

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INTRODUCTORY SECTION

Principal Officials / Board Members

Ms. Marie J. Carmichael
Chair
Governor-Appointed Member
Springfield

Committees
Executive, Personnel, Finance, Audit

Mr. Reuben A. Shelton
Vice-Chairman
Governor-Appointed Member
St. Louis

Committees
Executive, Personnel

Mr. John E. Mehner
Treasurer
Governor-Appointed Member
Cape Girardeau

Committees
Executive, Personnel, Finance

Mr. Matthew L. Dameron
Secretary
Governor-Appointed Member
Kansas City

Committees
Executive, Personnel, Audit

Mr. Kelley M. Martin
Governor-Appointed Member
Kansas City

Committees
Finance, Audit

Mr. Bradley G. Gregory
Governor-Appointed Member
Bolivar

Committees
Audit, Finance

Mr. Cliff Holekamp
Governor-Appointed Member
St. Louis

February 2019 to Current

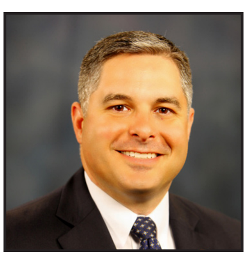
Mr. Rick Holton, Jr.
Governor-Appointed Member
St. Louis

February 2019 to Current

Mr. Patrick J. Lamping
Governor-Appointed Member
Barnhart

January 2011 to February 2019

The Honorable Mike Kehoe
Lieutenant Governor
Ex-Officio Member



Mr. Robert B. Dixon, Director
Department of Economic Development
Ex-Officio Member

Ms. Chris Chinn, Director
Department of Agriculture
Ex-Officio Member

Ms. Carol S. Comer, Director
Department of Natural Resources
Ex-Officio Member

Board membership consists of eight volunteer members appointed by the Governor and confirmed by the Senate, and four ex-officio members.

Organizational Chart

Mr. Robert V. Miserez
Executive Director

Ms. Kathleen Barney
Senior Portfolio Manager

Ms. Erica Griffin, CPA
Controller

Ms. Kimberly Martin
Finance Programs Manager/
Human Resources Director

Mr. Ryan Vermette
Compliance Officer

Ms. Valerie Haller
Executive Assistant

Ms. Erin Carel
Accounting Clerk/
Administrative Assistant

Board Counsel

Mr. David Queen
Gilmore & Bell, P.C.

Independent Certified Public Accountants

Ms. Amanda Schultz, CPA
Williams-Keepers LLC

Letter of Transmittal

October 8, 2019

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Missouri Development Finance Board (the Board), a component unit of the State of Missouri, for the fiscal years ended June 30, 2019 and 2018. The Accounting Department prepared this report, while responsibility for both the accuracy of the presented data and the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that was established for this purpose, rests with the Board. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Williams-Keepers LLC, Certified Public Accountants, has issued an unmodified ("clean") opinion on the Board's financial statements for the years ended June 30, 2019 and 2018. The Independent Auditors' Report is located at the front of the Financial Section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read with it as well.

PROFILE OF THE GOVERNMENT

The Missouri Development Finance Board is a "body corporate and politic" created by the State of Missouri. Its statutory citation is to Sections 100.250 to 100.297 and 100.700 to 100.850 of the Revised Statutes of Missouri (RSMo). The Board's primary function is to structure and participate in the financing of Missouri business and public infrastructure. The Board is a discretely presented component unit within the State of Missouri's Comprehensive Annual Financial Report.

The Board was created by Missouri statute in 1982 as the Missouri Industrial Development Board. The current legislative authorization dates to 1993 and was the fourth major statutory change since 1982. Each of these changes resulted in increased authority and responsibility for the Board in economic development and infrastructure financing.

The Board provides a diverse array of financing programs to carry out its mission of facilitating economic and infrastructure development projects. The Board administers eight programs and has one component unit which correspond to its mission to benefit the citizens of the State of Missouri as follows:

Programs

1. **Revenue Bonds for Private Commercial and Nonprofit Projects —** Pursuant to Section 100.275 RSMo, the Board is authorized to issue revenue bonds for purposes permitted under Section 100.255 RSMo, including the purchase, construction and improvement of facilities used for manufacturing and other commercial purposes, and for recreational and cultural facilities.

2. **Revenue Bonds for Public Infrastructure Projects —** The Board is authorized to issue its revenue bonds to finance essential infrastructure improvements and related work for local governments, State agencies and qualified public/private partnerships.

3. **Missouri Tax Credit for Contributions —** Section 100.286.6 RSMo authorized the Tax Credit for Contribution Program. Through this program, the Board is authorized to grant tax credits equal to 50% of contributions made to the Board. Contributions are used to pay the costs of public infrastructure projects approved by the Board. Per statute, during any calendar year, the Board can authorize no greater

than $10 million in credits. The limitation on tax credit authorization and approval provided under this subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly notarized letter, by the Directors of the Department of Economic Development and Revenue and the Commissioner of Administration, but in no event shall authorizations exceed $25 million in a calendar year.

4. **Tax Credit Bond Enhancement Program** — The Tax Credit Bond Enhancement Program, authorized under Section 100.297 RSMo, allows the Board to provide credit enhancements on public infrastructure revenue bonds it issues by assigning a tax credit reimbursement pledge in the event of a shortfall in project revenues on bonds it issues. This program is used for critical infrastructure facilities necessary to cause or leverage substantial private investment and jobs creation adjacent to the public facility being built or improved.

5. **BUILD (Business Use Incentives for Large-Scale Development) Missouri Program** — The BUILD Missouri Program authorized under Sections 100.700 to 100.850 RSMo is an incentive tool that allows the Board, if recommended by the Department of Economic Development, to finance a portion of the costs of qualifying capital investments for eligible businesses that seek to locate or expand in Missouri and create a significant number of new jobs. The incentives offered by BUILD are designed to offset infrastructure and other capital costs of eligible large-scale projects with a reimbursable tax credit based on actual performance.

6. **Missouri Infrastructure Development Opportunities Commission (MIDOC) Loan Program** — The MIDOC Program offers long-term, low-interest loans to local political subdivisions, including public water and sewer districts, to fund infrastructure improvements. Water and sewer projects addressing public health and safety receive priority. The program is structured as a revolving loan program with repayment proceeds used to provide additional loans for eligible infrastructure projects. Interest rates are 3 percent with a maximum loan amount of $150,000; however, if there is a critical need and with Board approval, this maximum loan amount may be exceeded.

7. **Small Business Loan Program** — In 2009 the Board created and capitalized a $2 million revolving loan fund for small business loans. Loans are for $50,000 or less, bear interest at 3 percent, and can be used for capital and operating needs. Disaster loans can select either a 1 percent interest rate for up to 10 years or 3 percent with the first two years interest deferred. The maximum number of employees to be eligible is 15.

   From this fund, $250,000 was transferred to the St. Louis Economic Development Partnership (SLEDP) during fiscal year 2015 to create a loan pool targeted to businesses impacted by the civil disturbances in Ferguson, Missouri. This helped create a $1 million loan pool, of which $850,000 is restricted to 0 percent interest loans. SLEDP administers this program for loans in the amounts of $2,500 to $10,000.

8. **Direct Loan Program** — The Direct Loan Program provides direct loans at reasonable interest rates to qualified borrowers.

Component Unit

1. **St. Louis Convention Center Hotel Community Improvement District (CID) and St. Louis Convention Center Hotel Transportation Development District Fund (TDD)** — The CID and TDD are active blended component units of MDFB reported as governmental funds. The CID and TDD were established during the fiscal year ended June 30, 2015, to account for the operations of the CID and TDD sales tax levy (at 1 percent), which is utilized to benefit 800 Washington LLC and Lennox Suites, LLC in their license obligation payments to MDFB. MDFB uses the license payment for parking garage debt service, operations, and maintenance costs of the St. Louis Convention Center Hotel Garage (SLCCHG). Four MDFB staff members serve on the Board and are responsible for monitoring district collections, paying district expenses, and collecting and transferring TIF funds to the City of St. Louis.

ECONOMIC CONDITIONS

Per the Missouri Department of Higher Education & Workforce Development's 2019 Economic and Workforce Report, "Missouri's GDP totaled $282 billion in 2018 in inflation adjusted dollars, up 2.3 percent from the previously year. The Missouri economy added 31,000 jobs from May 2018 to May 2019 and 237,700 jobs since 2011. In 2018, the Manufacturing, Health Care and Professional, Scientific & Technical Service industries were leading the job growth. In May 2019, the Missouri unemployment rate was 3.3 percent, up just 0.1 point from May 2018. The U.S. unemployment rate was 3.6 percent in May 2019. Missouri's labor force participation was 63.8 percent, up from 62.9 percent in 2017. The Health Care & Social Assistance industry employed the most people in Missouri, with over 465,600 employees in 2018. Retail trade was second with 311,300 and Manufacturing was third at 273,400. The Manufacturing industry added 7,525 jobs to the Missouri economy in 2018. Health Care & Social Services industry added 4,116 jobs, Professional and Technical Services added 3,428, and Accommodation and Food Services added nearly 1,600. The Retail industry lost nearly 2,600 jobs and was the industry with the largest job decline. Health Care and Business Management related jobs are the most in-demand occupations based on a measure of online job advertisements. Both the Ozark and Kansas City regions have had employment growth rates higher than the state average in five of the past six years."

During the fiscal year ended June 30, 2019, the Board contributed to the growth in the Missouri economy by issuing BUILD bond incentives of $16.11 million to leverage investment in Missouri of approximately $1.03 billion. In addition, the Board approved five Tax Credit for Contribution projects.

LONG-TERM FINANCIAL PLANNING

In June 2018 the Board approved the operating budget for fiscal year 2019, and within the budget granted preliminary approval of the early redemption of a portion of long-term debt.

The fiscal year 2019 budget also includes capital improvements within the parking garages to ensure the continuation of their useful lives and purposes. Improvements at the Ninth Street Garage (NSG) and the St. Louis Convention Center Hotel Garage (SLCCHG) are a continuation of a condition assessment and 10-year capital maintenance plan put together for the Board by a professional engineering firm in fiscal year 2015 and first implemented in fiscal year 2016. This has provided the Board with a guide of expected repairs and/or improvements over the next 10 years and the expected life of those repairs. In addition, NSG upgraded HVAC units for the elevators, and both NSG and Seventh Street Garage (SSG) replaced their maintenance golf carts.

In April 2019 the Board contracted with Walker Consultants to obtain a 10-year condition assessment report for the SSG to aid in future maintenance and repairs planning. Items noted as necessary repairs for year one were included in the fiscal year 2020 budget approved by the Board in July 2019.

The Board has been evaluating the maturities of the SLCCHG and SSG bonds. The SSG bonds have a put option which can be exercised in May 2020. It is believed this option will be exercised. The SLCCHG bonds have a maturity of December 2020. The Board is evaluating options to amortize these bonds over a longer term.

In March 2019 the Board exercised its five-year option to extend its office lease with Hotel Governor of Jefferson City, LLP from October 1, 2019 through September 30, 2024. The extension was further agreed upon in August 2019 to leave the base rent for the five-year term at the year one renewal rate.

RELEVANT FINANCIAL POLICIES

The Board has two blended component units which account for its activities as a governmental fund. All other Board activities are enterprise funds, a type of proprietary fund. Proprietary funds are used to account for ongoing activities of a governmental entity that are similar to activities found in the private sector. Budgets are not required for proprietary funds in accordance with generally accepted accounting principles. Likewise, since MDFB is a legally separate entity that does not receive State appropriations, it is not required to adhere to an appropriations budget like departments within the State of Missouri. During 2006 the Board voted to establish an operating budget for the Industrial Development and Reserve Fund for fiscal year 2007 and future years as a guide to aid in the Board's planning efforts. In March 2008, in order to improve its budget efforts, the operating budget was expanded to contain a three-year projection. For fiscal year 2013, to further enhance the budget projections, the parking garage operations were incorporated into this budget.

The Board has purchasing procedures and policies in place to handle budgeted and unbudgeted expenses. Per Board policy, non-budgeted expenses up to $10,000 must be approved by the Executive Director, non-budgeted items over $10,000, but less than $20,000, must be approved by the Executive Director and the Controller or Senior Accountant, non-budgeted items over $20,000, but less than $50,000, must be approved by the Executive Committee, and non-budgeted items in excess of $50,000 must be approved by the full Board. All non-budgeted items must be reported to the full Board at the next meeting by supplemental schedule to the financial statements.

The Board has an investment policy in place to address the investment of the Board's funds. A summary of such policy is contained in the notes. A copy of this policy can be requested by contacting MDFB at www.mdfb.org.

The Board is a public governmental body, as described in Section 610.010(4) RSMo, and therefore is subject to the Missouri open records and open meeting laws (Sunshine Law). A copy of the policy can be requested by contacting MDFB at www.mdfb.org.

Major Initiatives

During the fall of 2018 downtown Saint Louis experienced a series of thefts and break-ins which affected tenants within Board-owned garages. In an effort to provide a secure environment for the patrons of the garages, the Board contracted with Whelan Security for a Security Risk Assessment to be completed for the SLCCHG and the NSG. The Board was able to implement many of their recommendations including installing more, strategically placed, security cameras and adding additional security personnel during higher crime times.

In addition to the above security enhancements, the Board entered into negotiations with the St. Louis Metro Police Department (SLMPD) for their rental of unused retail space in the SLCCHG as a bike patrol storage and emergency response unit. The vacant space is located along 9th Street and will benefit the SLMPD in their ability to patrol the surrounding area and aid in their effort to reduce the crime rate. The space will include signage indicating it is an SLMPD office. Contract negotiations are ongoing.

During fiscal year 2018 the Board approved a request by the Department of Economic Development (DED) to provide assistance in funding a third-party review of DED and the State in order to create a statewide strategy for economic development. This coordinated effort is known as the Best in Midwest. The Board funded the initiative during fiscal year 2019.

During fiscal year 2018 the Board modified its MIDOC Loan Program to allow for disaster recovery purposed loans. During fiscal year 2019 one community was able to utilize loan funds, totaling $150,000, to help with their flood recovery efforts.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the MDFB for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the nineteenth consecutive year that the Board has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

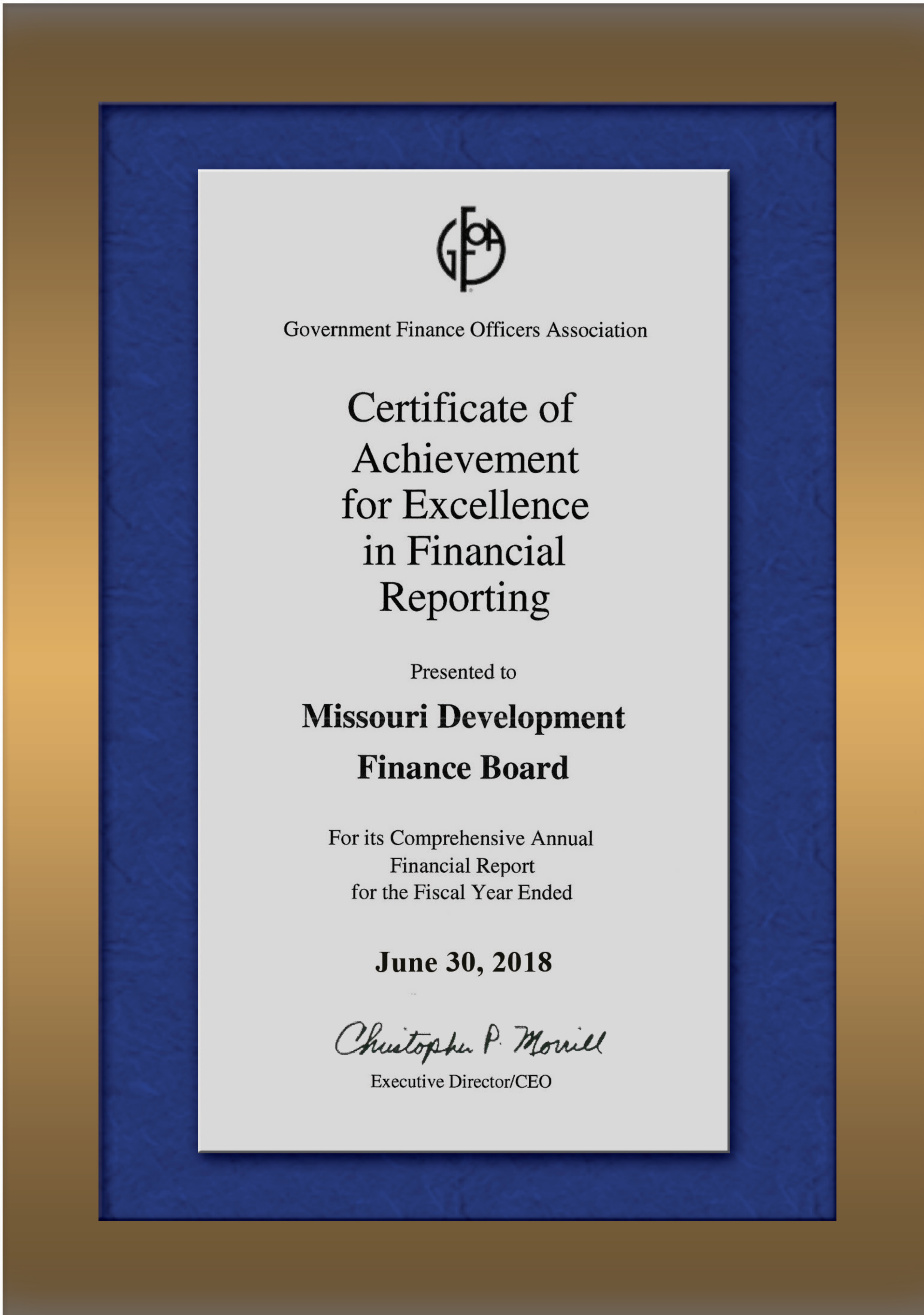
Acknowledgments

The preparation of the comprehensive annual financial report could not have been accomplished without the dedicated services of all Board staff. We would like to thank the firm of Williams-Keepers LLC and their staff for their assistance in the preparation of this report; John E. Mehner for serving as Board Treasurer; and the MDFB Audit Committee for their oversight and guidance.

Respectfully submitted,

Erica Griffin, CPA
Controller

Ryan Vermette
Compliance Officer



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Missouri Development Finance Board

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

Independent Auditors' Report

WILLIAMS KEEPERS LLC
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

2005 West Broadway, Suite 100, Columbia, MO 65203
OFFICE (573) 442-6171 FAX (573) 777-7800
3220 West Edgewood, Suite E, Jefferson City, MO 65109
OFFICE (573) 635-6196 FAX (573) 644-7240
www.williamskeepers.com

Members of the
Missouri Development Finance Board

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Missouri Development Finance Board (the Board), a component unit of the State of Missouri, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Board as of June 30, 2019 and 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in conformity with U.S. generally accepted accounting principles.

American Institute of Certified Public Accountants | Missouri Society of Certified Public Accountants | Member, Allinial Global

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis and the pension plan schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. The introductory section, combining fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the combining fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Williams Keepers LLC

October 8, 2019

Management's Discussion and Analysis

As management of the Missouri Development Finance Board (the Board), we offer readers of the Board's financial statements this narrative overview and analysis of the financial activities of our organization for the fiscal years ended June 30, 2019 and 2018.

Financial Highlights

- During fiscal year 2019 the Board's total net position increased by $2,376,588. The increase is attributable to favorable parking garage revenues, increased interest income from notes receivable, and increased interest income from cash and investments due to favorable market conditions.

- The Board holds a portion of its current assets in cash collateralized with securities pledged by financial institutions, due to unknown demands, especially within the Tax Credit for Contribution Program.

- During fiscal year 2019 the Board paid $3,348,000 in principal on the bonds issued in 2010 to assist with the financing on the Seventh Street Garage. This included principal paid of $3,125,000 in an early partial redemption on the SSG debt.

- The Board made a grant totaling $515,000 to the City of St. Charles to cover engineering costs for their Highway 370 Bicycle/Pedestrian Bridge project.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. Government financial statements are presented as three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

In addition to the basic financial statements, the Board has opted to present combining schedules for the Parking Garage Fund and the Revolving Loan Fund as supplementary information.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board, like other discretely presented component units of the State of Missouri, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. There are three categories available for governmental accounting: governmental funds, proprietary funds, and fiduciary funds. The Board's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of monetary resources, as well as on balances of monetary resources available at the end of the fiscal year.

The Board maintains one governmental fund, covering two separate component units, the St. Louis Convention Center Hotel CID and the St. Louis Convention Center Hotel TDD Funds. Information is presented separately in the government-wide financial statements for this activity.

Proprietary funds. Proprietary funds consist of two types of funds: internal service funds and enterprise funds. Of the two types of proprietary funds, the Board maintains one type — enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities. Specifically, enterprise funds account for operations that provide a service to citizens that are financed primarily by a user charge for the provision of that service. Enterprise funds also account for activities where the periodic measurement of net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Industrial Development and Reserve Fund, the Parking Garage Fund, and the Revolving Loan Fund. All funds are considered to be major funds.

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

Combining schedules. The combining schedules have been included as supplementary information to provide additional information for the Board's Parking Garage Fund and Revolving Loan Fund.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Board, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $107,421,554 at the close of fiscal year 2019, $105,044,966 at the close of fiscal year 2018, and $100,184,857 at the close of fiscal year 2017.

Net Position as of June 30:

	Governmental Activities			Business-Type Activities			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Current and other assets	$ 182,643	$ 178,988	$ 190,100	$ 53,893,150	$ 52,951,432	$ 49,268,862	$ 54,075,793	$ 53,130,420	$ 49,458,962
Restricted assets	-	-	-	12,529,286	16,620,473	20,312,888	12,529,286	16,620,473	20,312,888
Capital assets	-	-	-	64,485,733	65,961,955	67,229,205	64,485,733	65,961,955	67,229,205
Total assets	182,643	178,988	190,100	130,908,169	135,533,860	136,810,955	131,090,812	135,712,848	137,001,055
Deferred outflows of resources	-	-	-	813,500	858,796	776,841	813,500	858,796	776,841
Current liabilities	182,643	178,988	190,100	464,459	462,117	449,194	647,102	641,105	639,294
Noncurrent liabilities	-	-	-	23,794,842	30,844,070	36,915,601	23,794,842	30,844,070	36,915,601
Total liabilities	182,643	178,988	190,100	24,259,301	31,306,187	37,364,795	24,441,944	31,485,175	37,554,895
Deferred inflows of resources	-	-	-	40,814	41,503	38,144	40,814	41,503	38,144
Net position:									
Net investment in capital assets	-	-	-	50,681,734	48,809,955	47,533,205	50,681,734	48,809,955	47,533,205
Restricted	-	-	-	6,429,389	6,857,680	6,788,699	6,429,389	6,857,680	6,788,699
Unrestricted	-	-	-	50,310,431	49,377,331	45,862,953	50,310,431	49,377,331	45,862,953
Total net position	$ -	$ -	$ -	$ 107,421,554	$ 105,044,966	$ 100,184,857	$ 107,421,554	$ 105,044,966	$ 100,184,857

Unrestricted net position may be used to meet the Board's ongoing obligations to citizens and creditors. Restricted net position is restricted to specific purposes and may not be used for anything else. Capital assets are used to provide services to the citizens of Missouri and are not spendable.

There was no material change in capital assets during fiscal year 2019 or 2018. The increase during fiscal year 2019 includes normal depreciation and an increase for ongoing maintenance and capital replacements at the three garages. The decrease during fiscal year 2018 includes normal depreciation and an increase for ongoing maintenance and capital replacements at two garages.

The decrease in restricted assets of $4,091,187 from 2018 to 2019 is due to decreased funds on-hand raised for the Tax Credit for Contribution Program due to more distributions to those projects throughout the year. The decrease in restricted assets of $3,692,415 from 2017 to 2018 is due to decreased funds on-hand generated by the Tax Credit for Contribution Program.

The change in total net position for fiscal year 2019 is due to continued strong parking garage revenues, increased interest income due to notes receivable, and increased interest income due to better market conditions for cash and investment accounts. The change in total net position for fiscal year 2018 is due to continued strong parking garage revenues, increased participation fee associated with the Tax Credit for Contribution Program, increased interest income due to the restructuring of the Old Post Office loan, and the one-time recognition of revenue for unexpended tax credits from the KC Overhaul Base.

Changes in Net Position for the Years Ended June 30:

	Governmental Activities			Business-Type Activities			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Revenues:									
Program revenue:									
Participation fees	$ -	$ -	$ -	$ 1,352,931	$ 1,564,170	$ 982,969	$ 1,352,931	$ 1,564,170	$ 982,969
Interest on loans & notes receivable	-	-	-	1,011,618	918,271	864,724	1,011,618	918,271	864,724
Rental income	-	-	-	220,533	220,533	1,085,504	220,533	220,533	1,085,504
Parking garage revenue	-	-	-	5,871,925	5,767,305	5,549,313	5,871,925	5,767,305	5,549,313
Taxes	908,721	908,385	954,680	-	-	-	908,721	908,385	954,680
Other income	-	-	-	12,907	270,730	2,505,571	12,907	270,730	2,505,571
Non-operating revenues:									
Interest on cash & investments	349	361	-	621,037	256,060	98,866	621,386	256,421	98,866
Other non-operating revenue	-	-	-	-	1,491,915	-	-	1,491,915	-
Total revenues	909,070	908,746	954,680	9,090,951	10,488,984	11,086,947	10,000,021	11,397,730	12,041,627
Expenses:									
Personnel services	-	-	-	949,012	892,203	833,768	949,012	892,203	833,768
Professional fees	-	-	-	169,494	214,916	480,823	169,494	214,916	480,823
Depreciation & amortization	-	-	-	2,135,796	2,048,351	1,979,420	2,135,796	2,048,351	1,979,420
Parking garage operating expenses	-	-	-	1,903,096	1,660,880	2,536,426	1,903,096	1,660,880	2,536,426
Other expenses	-	-	-	196,341	215,239	283,838	196,341	215,239	283,838
SLCCH CID/TDD program	909,070	908,746	954,680	-	-	-	909,070	908,746	954,680
Total operating expenses	909,070	908,746	954,680	5,353,739	5,031,589	6,114,275	6,262,809	5,940,335	7,068,955
Non-operating expenses:									
Bond expense and interest expense	-	-	-	581,179	597,286	970,826	581,179	597,286	970,826
Contributions to others	-	-	-	779,445	-	14,450	779,445	-	14,450
Total expenses	909,070	908,746	954,680	6,714,363	5,628,875	7,099,551	7,623,433	6,537,621	8,054,231
Contributed capital	-	-	-	-	-	5,868,276	-	-	5,868,276
Change in net position	-	-	-	2,376,588	4,860,109	9,855,672	2,376,588	4,860,109	9,855,672
Net position, beginning of year	-	-	-	105,044,966	100,184,857	90,329,185	105,044,966	100,184,857	90,329,185
Net position, end of year	$ -	$ -	$ -	$ 107,421,554	$ 105,044,966	$ 100,184,857	$ 107,421,554	$ 105,044,966	$ 100,184,857

- Participation fees decreased $211,239 (14%) during fiscal year 2019 due to decreased contributions received under the Tax Credit for Contribution Program. Participation fees increased $581,201 (59%) during fiscal year 2018 due to an increase in contributions received under the Tax Credit for Contribution Program.

- Rental income remained unchanged during fiscal year 2019 due to similar rental contracts being in place. Rental income decreased $864,971 (80%) during fiscal year 2018 due to the dissolution of the component unit SSGPPC resulting in the cancellation of a lease agreement.

- Interest on loans receivable increased $93,341 (10%) during fiscal year 2019 and $53,547 (6%) during fiscal year 2018 due to normal amortization under the effective interest method and continued payments on receivables outstanding.

- Parking garage revenue increased $104,620 (2%) in fiscal year 2019 and $217,992 (4%) in fiscal year 2018. The increase is the result of additional leased spaces and increased transient parking revenue.

- Interest on cash and investments increased $364,615 (142%) for fiscal year 2019 and $157,555 (159%) for fiscal year 2018 due to rising interest rates on both investments and within cash accounts and increased investments purchased.

- Taxes include the sales taxes received in relation to the CID and TDD. Tax revenue increased $336 (0%) and decreased $46,295 (5%) for fiscal years 2019 and 2018.

- Other income decreased $257,823 (95%) in fiscal year 2019 due to the payoff of a loan previously reported with an allowance. Other income decreased $2,204,841 (89%) in fiscal year 2018 due to an adjustment on the OPO loan receivable allowance account in conjunction with the modification of the loan terms.

- Other non-operating revenues decreased $1,491,915 (100%) for fiscal year 2019 and increased $1,491,915 (100%) in fiscal year 2018 due to the receipt of unexpended tax credit proceeds from the Kansas City Overhaul Base project during fiscal year 2018. This was a one-time transaction.

- Operating expenses increased $322,474 (5%) during fiscal year 2019. The increase is due to a combination of increased depreciation expenses and an increase in parking garage operating expenses associated with security provided at the garages. Operating expenses decreased $1,128,620 (16%) in fiscal year 2018. The decrease is largely due to the one-time recognition of deferred rent expenses during fiscal year 2017, an event associated with the dissolution and merger of SSGPPC.

- Contributions to others increased $779,445 (100%) during fiscal year 2019. The increase is due to a grant made to the City of Saint Charles and a grant made to the Department of Economic Development's Best in Midwest research.

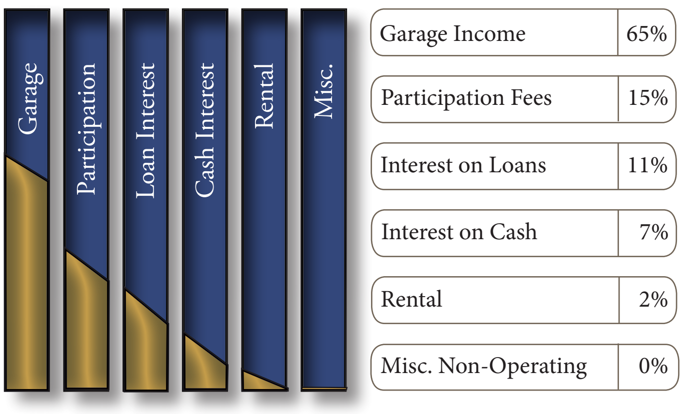
Changes in Net Position for the Years Ended June 30:

	2019		2018		2017	
	Amount	Percent	Amount	Percent	Amount	Percent
Operating income	$ 3,116,175	131.12 %	$ 3,709,420	76.32%	$ 4,873,806	49.45 %
Non-operating revenue (expense)	(739,587)	(31.12)%	1,150,689	23.68%	(886,410)	(8.99)%
Dissolution of component unit	-	-	-	-	5,868,276	59.54 %
Change in net position	$ 2,376,588	100.00 %	$ 4,860,109	100.00%	$ 9,855,672	100.00 %

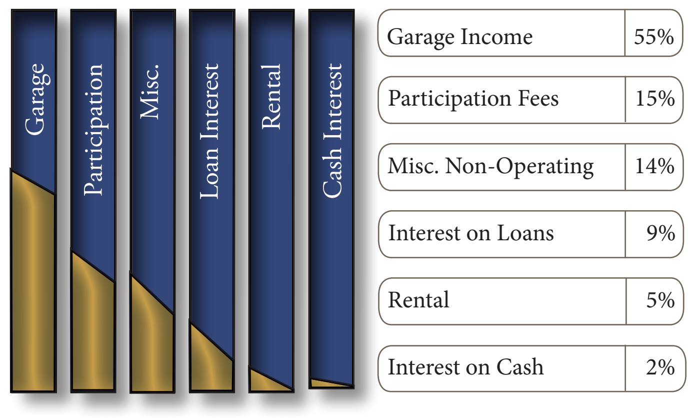
For 2018 to 2019 operating income decreased $593,245 (16%) from the prior fiscal year due to an increase in parking garage operating expenses and a reduction in other income associated with the collection of bad debt in the previous year. For 2017 to 2018 operating income decreased $1,164,386 (24%) from the prior fiscal year due to one-time adjustments made during fiscal year 2017 for the reduction in a loan receivable loss contingency and the dissolution of SSGPPC, partially offset by an increase in participation fees associated with the Tax Credit for Contribution Program and an increase in interest income on loans receivable.

Business-Type Activities

REVENUES 2019



REVENUES 2018



Capital Assets

The Board's investment in capital assets for its business-type activities as of June 30, 2019, was $64,485,733, net of depreciation. This is a decrease of $1,476,222 (2%) from fiscal year 2018 due to depreciation at all three garages along with ongoing capital replacement repairs at all three garages. The change in the Board's investment in capital assets for fiscal years 2017 to 2018 was a decrease of $1,267,250 (2%) attributable to the recording of depreciation and ongoing capital replacement repairs being conducted at two garages.

Capital Assets (net of depreciation)

	2019	2018	2017
Land	$ 7,219,739	$ 7,219,739	$ 7,219,739
Building	56,090,326	57,638,906	59,617,545
Construction in progress	357,097	856,781	203,630
Equipment	188,717	65,917	88,690
Leasehold improvements	629,854	180,612	99,601
Total	$ 64,485,733	$ 65,961,955	$ 67,229,205

Additional information on the Board's capital assets can be found in Note 7 to the financial statements.

Long-Term Debt

For the fiscal year ended 2019 the Board's total long-term debt outstanding was $13,804,000. During fiscal year 2019 $3,348,000 in principal was paid. Of that amount $3,125,000 was due to an optional partial redemption.

For the fiscal year ended 2018 the Board's total long-term debt outstanding was $17,152,000. During fiscal year 2018 $2,544,000 in principal was paid. Of that amount $2,330,000 was due to the prepayment of principal.

None of this amount comprises debt backed by the full faith and credit of the State of Missouri.

Outstanding Debt

	2019	2018	2017
Outstanding bond debt	$ 13,804,000	$ 17,152,000	$ 19,696,000

Additional information on the Board's long-term debt can be found in Note 10 to the financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Missouri Development Finance Board's finances for all those with an interest in the Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Missouri Development Finance Board, Controller, P. O. Box 567, 200 Madison Street, Suite 1000, Jefferson City, Missouri 65102.

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Missouri Development Finance Board
Statement of Net Position | *June 30, 2019*

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 27	$ 27,583,794	$ 27,583,821
Current portion of loans and notes receivable	-	5,230,967	5,230,967
Accrued interest on investments	-	139,081	139,081
Accrued interest on loans and notes receivable	-	107,438	107,438
Interfund receivables (payables)	(174,601)	174,601	-
Prepaid expenses and other assets	-	398,820	398,820
Sales tax receivables	182,616	-	182,616
Total current assets	8,042	33,634,701	33,642,743
Noncurrent assets:			
Restricted assets	-	12,529,286	12,529,286
Long-term portion of loans and notes receivable	-	20,258,449	20,258,449
Capital assets:			
Assets not being depreciated	-	7,576,835	7,576,835
Assets being depreciated, net	-	56,908,898	56,908,898
Total noncurrent assets	-	97,273,468	97,273,468
Total assets	8,042	130,908,169	130,916,211
DEFERRED OUTFLOWS OF RESOURCES			
Accumulated decrease in fair value of hedging derivatives	-	387,000	387,000
Pension contributions and other	-	426,500	426,500
Total deferred outflows of resources	-	813,500	813,500
LIABILITIES			
Current liabilities:			
Accounts payable and other accrued liabilities	8,042	202,574	210,616
Accrued bond interest payable	-	29,885	29,885
Current portion of long-term debt	-	232,000	232,000
Total current liabilities	8,042	464,459	472,501
Noncurrent liabilities:			
Long-term debt	-	13,572,000	13,572,000
Unearned revenue	-	742,716	742,716
Net pension liability	-	1,435,602	1,435,602
Other accrued liabilities	-	53,886	53,886
Payable from restricted assets:			
Tax credit for contribution and other deposits	-	7,990,638	7,990,638
Total noncurrent liabilities	-	23,794,842	23,794,842
Total liabilities	8,042	24,259,301	24,267,343
DEFERRED INFLOWS OF RESOURCES			
Pension other	-	40,814	40,814
Total deferred inflows of resources	-	40,814	40,814
NET POSITION			
Net investment in capital assets	-	50,681,734	50,681,734
Restricted			
Restricted for debt service	-	1,875,000	1,875,000
Restricted for revolving loan funds	-	4,554,389	4,554,389
Unrestricted	-	50,310,431	50,310,431
Total net position	$ -	$ 107,421,554	$ 107,421,554

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

Missouri Development Finance Board
Statement of Net Position | *June 30, 2018*

		Governmental Activities		Business-Type Activities		Total
ASSETS						
Current assets:						
Cash and cash equivalents	$	62	$	25,127,873	$	25,127,935
Accounts receivable		-		1,491,915		1,491,915
Current portion of loans and notes receivable		-		235,554		235,554
Accrued interest on investments		-		97,847		97,847
Accrued interest on loans and notes receivable		-		70,928		70,928
Interfund receivables (payables)		(171,443)		171,443		-
Prepaid expenses and other assets		-		369,245		369,245
Sales tax receivables		178,926		-		178,926
Total current assets		7,545		27,564,805		27,572,350
Noncurrent assets:						
Restricted assets		-		16,620,473		16,620,473
Derivative instrument – interest rate cap agreement		-		172		172
Long-term portion of loans and notes receivable		-		25,386,455		25,386,455
Capital assets:						
Assets not being depreciated		-		8,076,520		8,076,520
Assets being depreciated, net		-		57,885,435		57,885,435
Total noncurrent assets		-		107,969,055		107,969,055
Total assets		7,545		135,533,860		135,541,405
DEFERRED OUTFLOWS OF RESOURCES						
Accumulated decrease in fair value of hedging derivatives		-		386,828		386,828
Pension contributions and other		-		471,968		471,968
Total deferred outflows of resources		-		858,796		858,796
LIABILITIES						
Current liabilities:						
Accounts payable and other accrued liabilities		7,545		210,530		218,075
Accrued bond interest payable		-		28,587		28,587
Current portion of long-term debt		-		223,000		223,000
Total current liabilities		7,545		462,117		469,662
Noncurrent liabilities:						
Long-term debt		-		16,929,000		16,929,000
Unearned revenue		-		789,292		789,292
Net pension liability		-		1,323,334		1,323,334
Other accrued liabilities		-		29,685		29,685
Payable from restricted assets:						
Tax credit for contribution and other deposits		-		11,772,759		11,772,759
Total noncurrent liabilities		-		30,844,070		30,844,070
Total liabilities		7,545		31,306,187		31,313,732
DEFERRED INFLOWS OF RESOURCES						
Pension other		-		41,503		41,503
Total deferred inflows of resources		-		41,503		41,503
NET POSITION						
Net investment in capital assets		-		48,809,955		48,809,955
Restricted						
Restricted for debt service		-		1,875,000		1,875,000
Restricted for revolving loan funds		-		4,982,680		4,982,680
Unrestricted		-		49,377,331		49,377,331
Total net position	$	-	$	105,044,966	$	105,044,966

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

Missouri Development Finance Board
Statement of Activities | *For the Year Ended June 30, 2019*

			Net Revenue (Expense) and Changes in Net Position		
	Expenses	Program Revenues - Charges for Services	Governmental Activities	Business-Type Activities	Total
PROGRAM/FUNCTION					
Governmental activities:					
St. Louis Convention Center Hotel CID/TDD programs	$ 909,070	$ -	$ (909,070)	$ -	$ (909,070)
Total governmental activities	909,070	-	(909,070)	-	(909,070)
Business-type activities:					
Industrial development and reserve program	1,267,239	2,115,351	-	848,112	848,112
Parking garage program	4,660,995	6,294,458	-	1,633,503	1,633,503
Revolving loan program	6,724	60,105	-	53,381	53,381
Total business-type activities	5,934,918	8,469,914	-	2,534,996	2,534,996
Total	$ 6,843,988	$ 8,469,914	(909,070)	2,534,996	1,625,926
	General revenue:				
	Sales tax revenues		909,070	-	909,070
	Interest on cash and return on investments		-	621,037	621,037
	Total general revenues		909,070	621,037	1,530,107
	Contributions to others		-	(779,445)	(779,445)
	Changes in net position		-	2,376,588	2,376,588
	Net position - beginning		-	105,044,966	105,044,966
	Net position - ending		$ -	$ 107,421,554	$ 107,421,554

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

Missouri Development Finance Board
Statement of Activities | *For the Year Ended June 30, 2018*

	Expenses	Program Revenues - Charges for Services	Net Revenue (Expense) and Changes in Net Position: Governmental Activities	Business-Type Activities	Total
PROGRAM/FUNCTION					
Governmental activities:					
St. Louis Convention Center Hotel CID/TDD programs	$ 908,746	$ -	$ (908,746)	$ -	$ (908,746)
Total governmental activities	908,746	-	(908,746)	-	(908,746)
Business-type activities:					
Industrial development and reserve program	1,212,641	4,023,277	-	2,810,636	2,810,636
Parking garage program	4,415,040	6,152,119	-	1,737,079	1,737,079
Revolving loan program	1,194	57,528	-	56,334	56,334
Total business-type activities	5,628,875	10,232,924	-	4,604,049	4,604,049
Total	$ 6,537,621	$ 10,232,924	(908,746)	4,604,049	3,695,303
General revenue:					
Sales tax revenues			908,746	-	908,746
Interest on cash and return on investments			-	256,060	256,060
Total general revenues			908,746	256,060	1,164,806
Changes in net position			-	4,860,109	4,860,109
Net position - beginning			-	100,184,857	100,184,857
Net position - ending			$ -	$ 105,044,966	$ 105,044,966

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

Missouri Development Finance Board
Balance Sheet
Governmental Fund | St. Louis Convention Center Hotel CID/TDD Fund
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	$ 27	$ 62
Sales tax receivables	182,616	178,926
Total assets	182,643	178,988
LIABILITIES		
Accounts payable	8,042	7,545
Interfund payables	174,601	171,443
Total liabilities	182,643	178,988
FUND BALANCE		
Restricted for special district funding	-	-
Total liabilities and fund balance	$ 182,643	$ 178,988

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

Missouri Development Finance Board

Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental Fund | St. Louis Convention Center Hotel CID/TDD Fund

For the Years Ended June 30, 2019 and 2018

		2019		2018
REVENUES				
Sales tax revenues	$	908,721	$	908,385
Interest income		349		361
Total revenues		909,070		908,746
EXPENDITURES				
License payments		901,028		892,862
Other payments		8,042		15,884
Total expenditures		909,070		908,746
Net change in fund balance		-		-
Fund balance – beginning		-		-
Fund balance – ending	$	-	$	-

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

Missouri Development Finance Board
Statement of Net Position
All Proprietary Fund Types | *June 30, 2019*

	Industrial Development and Reserve Fund	Parking Garage Fund	Revolving Loan Fund	Total Business-Type Activities
ASSETS				
Current assets:				
Cash and cash equivalents	$ 14,328,304	$ 13,255,490	$ -	$ 27,583,794
Current portion of loans and notes receivable	-	5,000,000	230,967	5,230,697
Accrued interest on investments	112,526	21,112	5,443	139,081
Accrued interest on loans and notes receivable	82,258	-	25,180	107,438
Interfund receivables	-	174,601	-	174,601
Prepaid expenses and other assets	15,386	383,434	-	398,820
Total current assets	14,538,474	18,834,637	261,590	33,634,701
Noncurrent assets:				
Restricted assets	7,990,638	1,875,000	2,663,648	12,529,286
Long-term portion of loans and notes receivable	18,629,203	-	1,629,246	20,258,449
Capital assets:				
Assets not being depreciated	-	7,576,835	-	7,576,835
Assets being depreciated, net	3,004	56,905,894	-	56,908,898
Total noncurrent assets	26,622,845	66,357,729	4,292,894	97,273,468
Total assets	41,161,319	85,192,366	4,554,484	130,908,169
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of hedging derivatives	-	387,000	-	387,000
Pension contributions and other	426,500	-	-	426,500
Total deferred outflows of resources	426,500	387,000	-	813,500
LIABILITIES				
Current liabilities:				
Accounts payable and other accrued liabilities	188,948	13,531	95	202,574
Accrued bond interest payable	-	29,885	-	29,885
Current portion of long-term debt	-	232,000	-	232,000
Total current liabilities	188,948	275,416	95	464,459
Noncurrent liabilities:				
Long-term debt	-	13,572,000	-	13,572,000
Unearned revenue	-	742,716	-	742,716
Net pension liability	1,435,602	-	-	1,435,602
Other accrued liabilities	53,886	-	-	53,886
Payable from restricted assets:				
Tax credit for contribution and other deposits	7,990,638	-	-	7,990,638
Total noncurrent liabilities	9,480,126	14,314,716	-	23,794,842
Total liabilities	9,669,074	14,590,132	95	24,259,301
DEFERRED INFLOWS OF RESOURCES				
Pension other	40,814	-	-	40,814
Total deferred inflows of resources	40,814	-	-	40,814
NET POSITION				
Net investment in capital assets	3,004	50,678,730	-	50,681,734
Restricted				
Restricted for debt service	-	1,875,000	-	1,875,000
Restricted for revolving loan funds	-	-	4,554,389	4,554,389
Unrestricted	31,874,927	18,435,504	-	50,310,431
Total net position	$ 31,877,931	$ 70,989,234	$ 4,554,389	$ 107,421,554

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

Missouri Development Finance Board
Statement of Net Position
All Proprietary Fund Types | *June 30, 2018*

	Industrial Development and Reserve Fund	Parking Garage Fund	Revolving Loan Fund	Total Business-Type Activities
ASSETS				
Current assets:				
Cash and cash equivalents	$ 11,757,831	$ 13,370,042	$ -	$ 25,127,873
Accounts receivable	1,491,915	-	-	1,491,915
Current portion of loans and notes receivable	-	-	235,554	235,554
Accrued interest on investments	64,471	27,933	5,443	97,847
Accrued interest on loans and notes receivable	58,306	-	12,622	70,928
Interfund receivables	-	171,443	-	171,443
Prepaid expenses and other assets	14,217	355,028	-	369,245
Total current assets	13,386,740	13,924,446	253,619	27,564,805
Noncurrent assets:				
Restricted assets	11,772,759	1,875,000	2,972,714	16,620,473
Derivative instrument – interest rate cap agreement	-	172	-	172
Long-term portion of loans and notes receivable	18,629,203	5,000,000	1,757,252	25,386,455
Capital assets:				
Assets not being depreciated	-	8,076,520	-	8,076,520
Assets being depreciated, net	999	57,884,436	-	57,885,435
Total noncurrent assets	30,402,961	72,836,128	4,729,966	107,969,055
Total assets	43,789,701	86,760,574	4,983,585	135,533,860
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of hedging derivatives	-	386,828	-	386,828
Pension contributions and other	471,968	-	-	471,968
Total deferred outflows of resources	471,968	386,828	-	858,796
LIABILITIES				
Current liabilities:				
Accounts payable and other accrued liabilities	202,495	7,130	905	210,530
Accrued bond interest payable	-	28,587	-	28,587
Current portion of long-term debt	-	223,000	-	223,000
Total current liabilities	202,495	258,717	905	462,117
Noncurrent liabilities:				
Long-term debt	-	16,929,000	-	16,929,000
Unearned revenue	-	789,292	-	789,292
Net pension liability	1,323,334	-	-	1,323,334
Other accrued liabilities	29,685	-	-	29,685
Payable from restricted assets:				
Tax credit for contribution and other deposits	11,772,759	-	-	11,772,759
Total noncurrent liabilities	13,125,778	17,718,292	-	30,844,070
Total liabilities	13,328,273	17,977,009	905	31,306,187
DEFERRED INFLOWS OF RESOURCES				
Pension other	41,503	-	-	41,503
Total deferred inflows of resources	41,503	-	-	41,503
NET POSITION				
Net investment in capital assets	999	48,808,956	-	48,809,955
Restricted				
Restricted for debt service	-	1,875,000	-	1,875,000
Restricted for revolving loan funds	-	-	4,982,680	4,982,680
Unrestricted	30,890,894	18,486,437	-	49,377,331
Total net position	$ 30,891,893	$ 69,170,393	$ 4,982,680	$ 105,044,966

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

Missouri Development Finance Board
Statement of Revenues, Expenses, and Changes in Net Position
All Proprietary Fund Types | *For the Year Ended June 30, 2019*

	Industrial Development and Reserve Fund	Parking Garage Fund	Revolving Loan Fund	Total Business-Type Activities
OPERATING REVENUES				
Parking garage revenues	$ -	$ 5,871,925	$ -	$ 5,871,925
Participation fees	1,352,931	-	-	1,352,931
Interest income on loans and notes receivable	757,257	202,000	52,361	1,011,618
Other income	5,163	-	7,744	12,907
Rental income	-	220,533	-	220,533
Total operating revenues	2,115,351	6,294,458	60,105	8,469,914
OPERATING EXPENSES				
Depreciation and amortization	615	2,135,181	-	2,135,796
Parking garage operating expenses	-	1,903,096	-	1,903,096
Personnel services	949,012	-	-	949,012
Professional fees	127,074	41,376	1,044	169,494
Office expenses	133,875	-	-	133,875
Bad debt expense	-	-	5,680	5,680
Travel	5,590	-	-	5,590
Miscellaneous	51,073	123	-	51,196
Total operating expenses	1,267,239	4,079,776	6,724	5,353,739
Operating income	848,112	2,214,682	53,381	3,116,175
NON-OPERATING REVENUE (EXPENSE)				
Interest on cash and investments	402,376	185,338	33,323	621,037
Bond interest expense	-	(462,213)	-	(462,213)
Bond expense	-	(118,966)	-	(118,966)
Contributions to others	(14,450)	(250,000)	(514,995)	(779,445)
Total non-operating revenue (expense)	387,926	(645,841)	(481,672)	(739,587)
Income (loss) before interfund transfers	1,236,038	1,568,841	(428,291)	2,376,588
INTERFUND TRANSFERS	(250,000)	250,000	-	-
Change in net position	986,038	1,818,841	(428,291)	2,376,588
Net position – beginning	30,891,893	69,170,393	4,982,680	105,044,966
Net position – ending	$ 31,877,931	$ 70,989,234	$ 4,554,389	$ 107,421,554

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

Missouri Development Finance Board
Statement of Revenues, Expenses, and Changes in Net Position
All Proprietary Fund Types | *For the Year Ended June 30, 2018*

	Industrial Development and Reserve Fund	Parking Garage Fund	Revolving Loan Fund	Total Business-Type Activities
OPERATING REVENUES				
Parking garage revenues	$ -	$ 5,767,305	$ -	$ 5,767,305
Participation fees	1,564,170	-	-	1,564,170
Interest income on loans and notes receivable	711,558	155,438	51,275	918,271
Other income	255,634	8,843	6,253	270,730
Rental income	-	220,533	-	220,533
Total operating revenues	2,531,362	6,152,119	57,528	8,741,009
OPERATING EXPENSES				
Depreciation and amortization	427	2,047,924	-	2,048,351
Parking garage operating expenses	-	1,660,880	-	1,660,880
Personnel services	892,203	-	-	892,203
Professional fees	107,668	106,217	1,031	214,916
Office expenses	125,547	68	163	125,778
Travel	28,012	35	-	28,047
Miscellaneous	58,784	2,630	-	61,414
Total operating expenses	1,212,641	3,817,754	1,194	5,031,589
Operating income	1,318,721	2,334,365	56,334	3,709,420
NON-OPERATING REVENUE (EXPENSE)				
Interest on cash and investments	180,185	63,228	12,647	256,060
Miscellaneous income	1,491,915	-	-	1,491,915
Bond interest expense	-	(454,380)	-	(454,380)
Bond expense	-	(142,906)	-	(142,906)
Total non-operating revenue (expense)	1,672,100	(534,058)	12,647	1,150,689
Change in net position	2,990,821	1,800,307	68,981	4,860,109
Net position – beginning	27,901,072	67,370,086	4,913,699	100,184,857
Net position – ending	$ 30,891,893	$ 69,170,393	$ 4,982,680	$ 105,044,966

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

Missouri Development Finance Board
Statement of Cash Flows
All Proprietary Fund Types | *For the Year Ended June 30, 2019*

	Industrial Development and Reserve Fund	Parking Garage Fund	Revolving Loan Fund	Total Business-Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 1,551,849	$ 6,244,724	$ 47,547	$ 7,844,120
Receipts for tax credit projects	(3,310,425)	-	-	(3,310,425)
Payments to suppliers and lessors	(306,958)	(1,966,597)	(1,854)	(2,275,409)
Payments for personnel and benefits	(791,965)	-	-	(791,965)
Net cash provided (used) by operating activities	(2,857,499)	4,278,127	45,693	1,466,321
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Contributions to others	(14,450)	(250,000)	(514,995)	(779,445)
Interfund transfers	(250,000)	250,000	-	-
Net cash used by non-capital financing activities	(264,450)	-	(514,995)	(779,445)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Bond principal paid	-	(3,348,000)	-	(3,348,000)
Bond expense and interest paid	-	(579,881)	-	(579,881)
Acquisition of buildings and equipment	(2,619)	(656,955)	-	(659,574)
Net cash used by capital and related financing activities	(2,619)	(4,584,836)	-	(4,587,455)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	(24,896,736)	(4,988,638)	-	(29,885,374)
Maturities of investments	17,978,670	6,055,245	-	24,033,915
Interest on cash and investments	354,322	192,158	33,324	579,804
Disbursement of loan proceeds	-	-	(200,000)	(200,000)
Receipt of loan payments	-	-	326,912	326,912
Receipt of unexpended tax credits	1,491,841	-	-	1,491,841
Net cash provided (used) by investing activities	(5,071,903)	1,258,765	160,236	(3,652,902)
Net increase (decrease) in cash and cash equivalents	(8,196,471)	952,056	(309,066)	(7,553,481)
Cash and cash equivalents – beginning	13,569,260	7,201,186	1,963,274	22,733,720
Cash and cash equivalents – ending	$ 5,372,789	$ 8,153,242	$ 1,654,208	$ 15,180,239
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	$ 848,112	$ 2,214,682	$ 53,381	$ 3,116,175
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expenses	615	2,135,181	-	2,135,796
Adjustment to allowance for bad debt	-	-	5,680	5,680
(Increase) decrease in accrued interest on loans and notes receivable	(23,953)	-	(12,558)	(36,511)
(Increase) decrease in interfund receivables	-	(3,158)	-	(3,158)
(Increase) decrease in prepaid expenses and other assets	(67,852)	(28,403)	-	(96,255)
(Increase) decrease in pension contributions and other	45,468	-	-	45,468
Increase (decrease) in accounts payable and accrued liabilities	10,654	6,401	(810)	16,245
Increase (decrease) in unearned revenue	-	(46,576)	-	(46,576)
Increase (decrease) in net pension liability	112,268	-	-	112,268
Increase (decrease) in tax credit for contribution deposits	(3,782,122)	-	-	(3,782,122)
Increase (decrease) in pension other	(689)	-	-	(689)
Total adjustments	(3,705,611)	2,063,445	(7,688)	(1,649,854)
Net cash provided (used) by operating activities	$ (2,857,499)	$ 4,278,127	$ 45,693	$ 1,466,321
Reconciliation of cash and cash equivalents to the statement of net position:				
Cash and cash equivalents	$ 14,328,304	$ 13,255,490	$ -	$ 27,583,794
Restricted assets	7,990,638	1,875,000	2,663,648	12,529,286
Less: investments with original maturity of greater than 90 days	(16,946,153)	(6,977,248)	(1,009,440)	(24,932,841)
Total cash and cash equivalents	$ 5,372,789	$ 8,153,242	$ 1,654,208	$ 15,180,239
NONCASH TRANSACTIONS				
Change in fair value of non-cash equivalent investments	$ 38,248	$ -	$ (11,227)	$ 27,021

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

Missouri Development Finance Board
Statement of Cash Flows
All Proprietary Fund Types | *For the Year Ended June 30, 2018*

	Industrial Development and Reserve Fund	Parking Garage Fund	Revolving Loan Fund	Total Business-Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 1,789,669	$ 6,130,276	$ 56,826	$ 7,976,771
Receipts for tax credit projects	(3,075,616)	-	-	(3,075,616)
Payments to suppliers and lessors	(298,520)	(1,971,504)	(369)	(2,270,393)
Payments for personnel and benefits	(771,492)	-	-	(771,492)
Net cash provided (used) by operating activities	(2,355,959)	4,158,772	56,457	1,859,270
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Bond principal paid	-	(2,544,000)	-	(2,544,000)
Bond expense and interest paid	-	(598,044)	-	(598,044)
Acquisition of buildings and equipment	(1,296)	(779,805)	-	(781,101)
Net cash used by capital and related financing activities	(1,296)	(3,921,849)	-	(3,923,145)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	(16,939,754)	(9,036,914)	-	(25,976,668)
Maturities of investments	16,900,559	1,993,058	-	18,893,617
Interest on cash and investments	142,609	37,494	12,647	192,750
Disbursement of loan proceeds	-	-	(396,307)	(396,307)
Receipt of loan payments	254,683	15,552	295,045	565,280
Net cash provided (used) by investing activities	358,097	(6,990,810)	(88,615)	(6,721,328)
Net (decrease) in cash and cash equivalents	(1,999,158)	(6,753,887)	(32,158)	(8,785,203)
Cash and cash equivalents – beginning	15,568,418	13,955,073	1,995,432	31,518,923
Cash and cash equivalents – ending	$ 13,569,260	$ 7,201,186	$ 1,963,274	$ 22,733,720
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	$ 1,318,721	$ 2,334,365	$ 56,334	$ 3,709,420
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expenses	427	2,047,924	-	2,048,351
Adjustment to allowance for bad debt	(254,683)	-	-	(254,683)
(Increase) decrease in accrued interest on loans and notes receivable	60,785	18,657	(702)	60,083
(Increase) decrease in interfund receivables	-	(167,046)	-	18,657
(Increase) decrease in prepaid expenses and other assets	36,847	-	-	(130,199)
(Increase) decrease in pension contributions and other	(81,866)	(30,970)	-	(81,866)
Increase (decrease) in accounts payable and accrued liabilities	21,491	(44,158)	825	(8,654)
Increase (decrease) in unearned revenue	-	-	-	(44,158)
Increase (decrease) in net pension liability	199,218	-	-	199,218
Increase (decrease) in tax credit for contribution deposits	(3,660,258)	-	-	(3,660,258)
Increase (decrease) in pension other	3,359	-	-	3,359
Total adjustments	(3,674,680)	1,824,407	123	(1,850,150)
Net cash provided (used) by operating activities	$ (2,355,959)	$ 4,158,772	$ 56,457	$ 1,859,270
Reconciliation of cash and cash equivalents to the statement of net position:				
Cash and cash equivalents	$ 11,757,831	$ 13,370,042	$ -	$ 25,127,873
Restricted assets	11,772,759	1,875,000	2,972,714	16,620,473
Less: investments with original maturity of greater than 90 days	(9,961,330)	(8,043,856)	(1,009,440)	(19,014,626)
Total cash and cash equivalents	$ 13,569,260	$ 7,201,186	$ 1,963,274	$ 22,733,720
NONCASH TRANSACTIONS				
Change in fair value of non-cash equivalent investments	$ 11,857	$ -	$ (21,753)	$ (9,896)
Receivable for unexpected tax credits	$ 1,491,919	$ -	$ -	$ 1,491,919

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1

Financial Reporting Entity and Summary of Significant Accounting Policies

(a) Financial Reporting Entity

The Missouri Development Finance Board ("the Board" or "MDFB") was established pursuant to Sections 100.250 to 100.297 and 100.700 to 100.850 of the Revised Statutes of Missouri (RSMo), as a body corporate and politic of the State of Missouri created within the Department of Economic Development. The Board is governed by a 12-member Board. The Governor of the State of Missouri (the State), with the advice and consent of the Senate, appoints eight of the Board members. The remaining four Board members are the Lieutenant Governor, Director of the Department of Economic Development, Director of the Department of Agriculture, and Director of the Department of Natural Resources.

The Board is authorized to issue bonds and notes, provide loans, loan guarantees and grants to political subdivisions to fund public infrastructure improvements, and to issue Missouri tax credits for approved projects. The Board also is authorized to acquire, own, improve, and use real and personal property such as parking garages and buildings.

The Board is a discretely presented component unit of the State as defined by Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*, as the Board does not meet the qualification for blending.

The Board has one component unit as defined by GASB Statement No. 61, *The Financial Reporting Entity*:

> The St. Louis Convention Center Hotel Community Improvement District (CID) and St. Louis Convention Center Hotel Transportation Development District (TDD), political subdivisions of the State, are active blended component units. The CID and TDD were established to provide sources of funds to construct, maintain and operate the St. Louis Convention Center Hotel Garage. The CID and TDD each levy a 1 percent sales tax on sales occurring within the districts. The sales tax is transferred from the CID and the TDD to the Board for the benefit of 800 Washington LLC and Lennox Suites, LLC; the funds offset a portion of the license obligation payments to MDFB for parking spaces in the St. Louis Convention Center Hotel Garage. The license payments fund debt service, operations, and maintenance costs related to the St. Louis Convention Center Hotel Garage. Effective June 25, 2014 and July 17, 2014, respectively, MDFB staff became board members of the CID and TDD. As of these dates, MDFB staff is responsible for monitoring collections and paying expenses of both districts, as well as collecting and transferring certain funds to the City of St. Louis. The CID and TDD each maintain only one fund, a governmental fund, and do not issue separately prepared financial statements. The two entities are combined into one governmental fund for financial reporting purposes in the Board's financial statements.

For purposes of these financial statements, all references to MDFB or the Board represent the primary government and its component unit.

(b) Basis of Presentation

The government-wide financial statements (i.e., the *Statements of Net Position* and the *Statements of Activities*) report information on all of the activities of the Board. The effect of interfund activities has been removed from these statements. Governmental activities, which are normally supported by taxes, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The *Statements of Activities* demonstrate the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds and proprietary funds. The Board uses funds to report its financial position and results of its operations in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by separating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into two categories: governmental and proprietary.

The Board reports the following governmental fund:

- St. Louis Convention Center Hotel Community Improvement District and St. Louis Convention Center Hotel Transportation Development District Fund — The St. Louis Convention Center Hotel Community Improvement District (CID) and the St. Louis Convention Center Hotel Transportation Development District (TDD) Funds were established in 2015 by the Board for financial reporting purposes to account for the operations of the CID and TDD and are combined as the Board's blended component unit.

Pursuant to Sections 100.260 and 100.263 RSMo, the Board has five statutory proprietary funds. However, for financial reporting purposes, the Board has chosen to report the following proprietary funds:

- Industrial Development and Reserve Fund — The Industrial Development and Reserve Fund (IDRF) is both a statutory fund and a fund for financial reporting purposes. At inception the Board was funded by appropriations from the State General Revenue Fund; however, currently the Board's primary source of funds is from other sources as specified by its statutes. Funds in the IDRF may be used to make eligible direct loans or may be pledged to secure loan, notes, or bond guarantees. Sections 33.080 and 100.260 RSMo provide that if funds be appropriated by the General Assembly for this fund, they shall not lapse and the balance shall not be transferred to the State General Revenue Fund. This fund includes activity related to the Old Post Office (OPO) project.

- Parking Garage Fund — The Parking Garage Fund (PGF) was established in 2003 by the Board for financial reporting purposes to account for the construction, maintenance and ongoing operations of its parking garages. This fund derives its statutory authority from the Infrastructure Development Fund (IDF) as defined in Section 100.263 RSMo. The IDF was established to make low-interest or interest-free loans, loan guarantees, or grants to local political subdivisions and to State agencies. The fund may receive funds from the federal government for infrastructure development purposes, but other public or private funds may be received by the Board for deposit in the funds. The Board garages qualify as public infrastructure. The garages are as follows: the St. Louis Convention Center Hotel Garage (SLCCHG), the Ninth Street Garage (NSG), and the Seventh Street Garage (SSG). All three garages are located in downtown St. Louis.

- Revolving Loan Fund — The Revolving Loan Fund (RLF) is a financial reporting fund that includes the Missouri Infrastructure Development Loan (MIDOC) and the Small Business Loan Program activities. The statutory authority for the MIDOC Program is granted through the Infrastructure Development Fund (IDF), while the statutory authority for the Small Business Loan Program is derived from the Industrial Development and Reserve Fund (IDRF). Due to the similar nature of the two activities, they are combined for financial reporting purposes. The MIDOC Program was established in 1988 by Section 100.263 RSMo, as amended, and was originally capitalized by appropriations from the State General Fund and from various other sources as allowed by the statute. MIDOC funds are used to make low-interest loans to local political subdivisions on a revolving loan basis. In 2009 the Board transferred $2 million from the IDRF to the RLF to establish the Small Business Loan Program. The funds for the Small Business Loan Program are maintained separately from the MIDOC funds established by appropriations. Small Business Loan funds may be used to make low-interest loans to small businesses located within the State of Missouri.

(c) Method of Accounting

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Sales tax associated with the current fiscal year is considered to be susceptible to accrual and so has been recognized as revenues in the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. Operating expenses include the costs of services, administrative expenses, and depreciation on capital assets. Revenues and expenses not meeting these definitions are generally reported as non-operating revenues and expenses. Also see Notes 1(m) and 1(n).

Application and issuance fees are recognized as participation fees on the *Statements of Revenues, Expenses*, and *Changes in Net Position*. The Board recognizes revenue from application fees when received since the fees are due upon application submission and are nonrefundable. The Board recognizes revenue on issuance fees at the time of the issuance of the related bonds since, until actual issuance, the amount or the certainty of receiving the issuance fee is not determinable. Expenses related to bond issuance are recognized when incurred, as there is no reasonable method of allocating the expenses to issuance fees because of the previously mentioned uncertainties.

Contributions received for tax credits on behalf of other entities are treated as conduit transactions, with the amount of unspent contributions recorded as a liability. Contributions received for tax credits on behalf of the Board's projects are recorded as contributed revenue when all applicable eligibility requirements have been met, which is determined on a project-by-project basis.

(d) Cash and Cash Equivalents

Cash and cash equivalents within the *Statements of Cash Flows* include cash, certificates of deposit, and short-term investments with original maturities of 90 days or less.

(e) Investments

The Board has the power to invest in obligations of the United States or its agencies, insured or secured certificates of deposits, secured repurchase agreements, and state or political subdivisions' obligations with the two highest credit rating categories. Investments are adjusted to fair value at fiscal year-end.

(f) Loans and Allowance for Loan Loss

Loans are stated at the amount of unpaid principal, adjusted by an allowance for loan losses. The Board's loans are made to for-profit and nonprofit businesses and political subdivisions. In many cases, the repayment terms and collateral, if any, are much less stringent than typical financial institution loans due to the nature of the Board's mission. The allowance for loan losses is established through a provision for loan losses charged to expense. Loans are charged against the allowance for loan losses when management believes that the collectability of the principal is unlikely. Recoveries on loans previously written off against the allowance are reported as other income.

The allowance is an amount that management believes will be adequate to absorb possible losses on existing loans that may become uncollectible, based on evaluation of the collectability of loans, prior loan loss experience or when the net present value of estimated future cash flows on the loan or fair value of collateral is less than the recorded value of the loan (computed on a loan-by-loan basis).

(g) Capital Assets

Capital assets, which consist of land, building, equipment, vehicle, and software, are stated at cost. Contributions of capital assets are recorded at acquisition value at the time received. Capital assets are defined by the Board as assets with an individual cost of more than $500 and an estimated useful life in excess of one year. Depreciation has been provided over the estimated useful lives using the straight-line method.

Estimated useful lives are as follows:

Buildings/Leasehold Asset	40 years
Leasehold Improvements	10 years
Software	7 years
Equipment	3–5 years
Vehicle	3 years

(h) Compensated Absences

Under the terms of the Board's personnel policy, Board employees are granted vacation, sick, and compensatory leave in varying amounts based upon length of service. In the event of termination, an employee is paid for accumulated vacation and compensatory hours. Employees are not paid for accumulated sick leave upon termination. The amounts of accrued vacation and compensatory hours are included as current and non-current liabilities in the accompanying financial statements. The costs of sick leave are not accrued.

(i) Unearned Revenue

Unearned revenue is revenue that has not yet been earned, including rent received in advance.

(j) Long-Term Debt

Long-term debt and other long-term obligations are reported as liabilities in the *Statements of Net Position*. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any applicable bond premium or discount. Bond issuance costs are expensed at closing.

(k) Deferred Outflows and Inflows of Resources

In addition to assets, the *Statements of Net Position* will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources until then. The Board has two items that qualify for reporting in this category, an interest rate cap agreement in connection with the $9 million debt borrowed from Pulaski Bank (see Note 3), and pension contributions and other in connection with the defined benefit pension plan (see Note 17).

In addition to liabilities, the *Statements of Net Position* will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an addition to net position that applies to a future period(s) and so will not be recognized as an inflow of resources until then. The Board has one item that qualifies for reporting in this category, pension contributions and other, in connection with the defined benefit pension plan (see Note 17).

(l) Equity

In the governmental fund financial statements, equity is displayed in five components as follows:

<u>Nonspendable</u> — This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

<u>Restricted</u> — This consists of amounts that are constrained to specific purposes by their providers, through constitutional or contractual provisions or by enabling legislation.

<u>Committed</u> — This consists of amounts that can be used only for the specific purposes determined by a formal action (a resolution) of the government's highest level of decision-making authority (the Board of Directors) by the end of the fiscal year.

Assigned — This consists of amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The Executive Director is authorized to assign amounts for specific purposes; however, an additional formal action does not have to be taken for the removal of the assignment.

Unassigned — This consists of amounts that are available for any purpose and can only be reported in a General Fund, which the Board does not have.

In the government-wide and proprietary fund financial statements, equity is displayed in three components 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 improvements of those assets.

Restricted — This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation

Unrestricted — This consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

(m) Proprietary Funds – Classification of Operating, Non-operating, and Contributed Revenue

The Board has classified its revenues from business-type activities as operating, non-operating, or contributed revenues according to the following criteria:

Operating revenues — Include revenue sources related to the basic purpose of the Board and include interest income on loans, fees, and charges for services.

Non-operating revenues — Include revenue sources unrelated to the basic purpose of the Board and include interest income on deposits and investments.

Contributed revenues — Include investments made in the Board that increase overall net position due to involvement in a specific project and revenue related to the Tax Credit for Contribution Program authorized under State statute received for Board-owned projects.

(n) Proprietary Funds – Classification of Operating and Non-operating Expenses

The Board has classified its expenses for business-type activities as operating and non-operating according to the following criteria:

Operating expenses — Include expenses related to the basic purpose of the Board and include administrative expenses, costs associated with carrying out Board programs, depreciation, and bad debt expenses.

Non-operating expenses — Include expenses related and unrelated to the basic purpose of the Board and may include expenses related to the basic purpose of the Board when such expenses are financial in nature such as bond and interest expenses, or contributions to others which may include grants.

(o) Participation Fees

The Board receives participation fees on certain direct loans, loan guarantees, bonds, and tax credit contributions. Direct infrastructure loans are made to local governmental entities for public infrastructure needs.

Bond application fees are 0.1 percent of the amount of issuance limited to a minimum of $500 and a maximum of $2,500.

The issuance fee for private activity bonds is 0.3 percent and for public activity bonds is 0.25 percent. Total fees on both types of issuances are not to exceed $75,000 for a single issue or multiple series under a single issue. For State agency bonds, the issuance fee is on a scale ranging from 0.1 percent to 0.2 percent, not to exceed $75,000 for a single issue or multiple series under a single issue.

Bond issuance fees for refunding bonds previously issued by the Board are 0.2 percent for private activity bonds; on a scale ranging from 0.066 percent to 0.165 percent for public activity bonds; and on a scale ranging from 0.066 percent to 0.133 percent for State agency bonds. Total fees on all types of refunding issuances are not to exceed $50,000 for a single issue or multiple series under a single issue.

BUILD Missouri (Business Use Incentives for Large-Scale Development) application fees are $1,000 and are non-refundable. The issuance fee assessed is 2.5 percent of the bond principal with an annual fee of 0.5 percent of the principal portion outstanding at each anniversary date. The fee to cover legal counsel costs is 0.6 percent of bond principal with a minimum of $10,000, plus out-of-pocket expenses. Trustee fees, including an acceptance fee of $850 and an annual administrative fee of $850, also are assessed.

Participation fees for the Tax Credit for Contribution Program are 4 percent of all contributions.

(p) Issuance of Conduit Bonds

All of the bonds issued by the Board, with the exception of the long-term debt issued for the St. Louis Convention Center Hotel Garage (SLCCHG) and the Seventh Street Garage (SSG) (see Note 10), are conduit obligations. Conduit obligations are special, limited obligations of the Board and the assets of the Board are not pledged to secure such bonds. The borrower pays all debt service requirements. The bonds do not constitute an obligation of the Board or the State. See Note 15(a) to the financial statements for further information.

(q) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenditure/expense during the reporting period. Estimates are used for, but not limited to, allowances for uncollectible loans receivable, asset impairment, fair value of certain assets, depreciable lives of capital assets, net pension liability, and commitments and contingencies. The Board is subject to uncertainties such as the impact of future events, economic, environmental and political factors, and changes in the business climate; therefore, actual results may differ from those estimates.

Accordingly, the accounting estimates used in the preparation of the Board's financial statements will change as new events occur, as more experience is acquired, as additional information is obtained, and as the Board's operating environment changes. Changes in estimates are made when circumstances warrant. Such changes and refinements in estimation methodologies are reflected in reported results of operations; if material, the effects of changes in estimates are disclosed in the notes to the financial statements. Accordingly, actual results may differ from those estimates.

(r) Pensions

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

NOTE 2

Deposits and Investments

The Board has adopted an investment policy that governs the investment of its funds. Pursuant to the policy, the Board is authorized to invest funds not required for immediate disbursement in obligations of the United States, or any agency or instrumentality of the United States, in obligations of the State of Missouri and its political subdivisions, in certificates of deposit and time deposits or other obligations of banks and savings and loan associations, or in such other obligations that may be prescribed by the Board. A specific list of acceptable investments and terms of investing are detailed within the Board's investment policy.

As of June 30, 2019 and 2018, the Board had the following investments:

Investment type		2019		2018
Money market funds	$	1,050,729	$	745,432
U.S. Treasuries		9,972,250		10,957,080
U.S. Government Bonds		16,038,196		-
U.S. government agency discount notes		-		8,019,399
Total fair value	$	27,061,175	$	19,721,911

Interest Rate Risk — Interest rate risk is the risk that changes in financial market interest rates will adversely affect the value of an investment. In accordance with its investment policy, the Board manages its exposure to declines in fair values by only investing in obligations that return initial purchase prices and the earned interest. This practice reduces exposure to significant declines in fair values.

At June 30, 2019, the Board's investment balances and maturities for those investments subject to interest rate risk were as follows:

			Investment Maturities			
Investment Type		Fair Value		1 Year		1 - 5 Years
U.S. Treasury securities	$	9,972,250	$	9,972,250	$	-
Other U.S. Government securities		16,038,196		10,059,273		5,978,923
Total	$	26,010,446	$	20,031,523	$	5,978,923

At June 30, 2018, the Board's investment balances and maturities for those investments subject to interest rate risk were as follows:

			Investment Maturities			
Investment Type		Fair Value		1 Year		1 - 5 Years
U.S. Treasury securities	$	10,957,080	$	9,961,150	$	995,930
U.S. agency securities		8,019,399		5,056,387		2,963,012
Total	$	18,976,479	$	15,017,537	$	3,958,942

Credit Risk — The Board's policy is to only invest in obligations of the United States or its agencies, insured or secured certificates of deposit, money market funds, secured repurchase agreements, and state or political subdivision obligations with the two highest credit ratings issued by nationally recognized statistical rating organizations. Policy prohibits the purchase of any investments that do not meet the above-mentioned criteria. As of June 30, 2019 and 2018, all of the Board's investments were rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service. The Board does not hold corporate bonds and does not participate in investment pools.

Concentration of Credit Risk — Due to the conservative nature of the Board's investment policy, the Board is not at-risk due to concentration.

Custodial Credit Risk – Investments — For an investment, this is the risk that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments. As of June 30, 2019 and 2018, there was no custodial credit risk for the Board's investments due to the Board's investment policy which prohibits obligations not fully secured.

Custodial Credit Risk – Deposits — In the case of deposits, this is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. As of June 30, 2019 and 2018, the Board's deposits were fully covered by FDIC insurance and collateralized with government-backed securities.

As required by Missouri law, the depository banks pledge securities, in addition to the FDIC insurance, to equal or exceed the amount on deposit at all times. As of June 30, 2019 and 2018, securities with a total fair value of $13,063,307 and $22,026,942 respectively, were held in a joint custody account with the Federal Reserve Bank.

As of June 30, 2019 and 2018, the Board's cash deposits were collateralized as follows:

Bank Balance	2019	2018
Insured by the FDIC	$ 500,000	$ 500,000
Collateralized with securities pledged by the financial institutions	12,563,307	21,526,942
Total cash deposits	$ 13,063,307	$ 22,026,942
Carrying value	$ 13,051,932	$ 22,026,497

The Board's total cash and investments as of June 30, 2019 and 2018, were as follows:

	2019	2018
Investments from above	$ 27,061,175	$ 19,721,911
Cash deposits from above	13,051,932	22,026,497
Total cash and investments	$ 40,113,107	$ 41,748,408
As reflected on the statement of net position:		
Cash, cash equivalents, and investments	$ 27,583,821	$ 25,127,935
Restricted assets	12,529,286	16,620,473
Total cash and investments	$ 40,113,107	$ 41,748,408

Fair Value Measurements

For assets and liabilities required to be reported at fair value, generally accepted accounting principles prescribes a framework for measuring fair value and financial statement disclosures about fair value measurements. A fair value hierarchy has been established that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

The fair value hierarchy as prescribed by U.S. generally accepted accounting principles is as follows:

- Level 1 – Valuation is based upon quoted prices (unadjusted) in active markets for identical assets or liabilities that the Board has the ability to access.

- Level 2 – Valuation is based upon quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.

- Level 3 – Valuation is generated from model-based techniques that use at least one significant assumption based on unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Board's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The Board's assets and liabilities measured at fair value on a recurring basis as of June 30, 2019 and 2018, aggregated by the level in the fair value hierarchy within which those measurements fall, are as follows:

2019 Description	Total	Level 1	Level 2	Level 3
Measured at fair value:				
Money market funds	$ 1,050,729	$ 1,050,729	$ -	$ -
U.S. Treasuries	9,972,250	-	9,972,250	-
U.S. Government bonds	16,038,196	-	16,038,196	-
Total investments	$ 27,061,175	$ 1,050,729	$ 26,010,446	$ -

2018 Description	Total	Level 1	Level 2	Level 3
Measured at fair value:				
Money market funds	$ 745,432	$ 745,432	$ -	$ -
U.S. government agency discount notes	18,976,479	-	18,976,479	-
Total investments	$ 19,721,911	$ 745,432	$ 18,976,479	$ -

Level 1 classifications above consist of money market funds that are valued at the daily closing price as reported by the fund.

Level 2 classifications above consist of U.S. government agency discount notes and overnight repurchase agreements that are valued based on third party pricing services for identical or similar assets.

No investments are classified as Level 3 above.

NOTE 3

Derivative Instrument – Interest Rate Cap Agreement

A portion of other assets and deferred outflows of resources are composed of the following as of June 30:

	2019	2018
Interest rate cap agreement	$ 387,000	$ 387,000
Adjustment to fair value	(387,000)	(386,828)
Fair value	$ -	$ 172

Interest Rate Cap Agreement

In connection with the $9 million debt borrowed from Busey Bank, formerly Pulaski Bank (see Note 10), MDFB entered into an interest rate cap agreement with Morgan Stanley Capital Services, LLC, (credit rating of A) to cover a portion of the period (2015-2020) when the debt was to carry a variable interest rate. The agreement is intended to provide a cash flow hedge for the variable interest rate of the SSG obligation but also can be applied towards other Board debt. This agreement's notional amount is based on the amortized loan balance (starting at $8.4 million) with a cap rate of 5.264 percent measured against 30 day LIBOR. The cost of the interest rate cap agreement was $387,000, and the estimated fair value at June 30, 2019 and 2018, was $0 and $172, respectively. The fair value of the interest rate cap was estimated using a proprietary pricing service. MDFB has determined the hedge meets the criteria for effectiveness and has recorded the accumulated adjustment to fair value as a deferred outflow of resources.

Risks:

Credit Risk — MDFB is exposed to credit risk on hedging derivative instruments that are in asset positions. MDFB currently does not have a policy regarding credit risk.

Interest Rate Risk — MDFB is not exposed to interest rate risk on its interest rate cap agreement.

Basis Risk — MDFB is not exposed to basis risk on its interest rate cap hedging derivative instruments because the same variable-rate is used for both debt payments paid by MDFB and the interest rate cap agreement.

Termination Risk — MDFB or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract.

Rollover Risk — MDFB is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, or in the case of a termination option, if the counterparty exercises its option, the Board will be re-exposed to the risks being hedged by the hedging derivative instrument.

NOTE 4
Interfund Activity

(a) Due To/From Other Funds

As of June 30, 2019 and 2018, $174,601 and $171,443, respectively, was due from the CID and TDD Fund to the Parking Garage Fund (PGF) for sales tax held by the CID and TDD Fund for the benefit of the PGF.

(b) Interfund Transfers

During the year ended June 30, 2019, the Industrial Development and Reserve Fund (IDRF) transferred $250,000 to the Parking Garage Fund (PGF) to help fund the Department of Economic Development's (DED's) Best in Midwest initiative.

During the year ended June 30, 2018, there were no interfund transfers.

NOTE 5
Loans, Notes Receivable and Allowance for Loan Losses

Direct loans through the Industrial Development and Reserve Fund (IDRF) represent loans to individual companies and governmental entities in Missouri and are generally secured. Direct loans through the Revolving Loan Fund (RLF) represent low interest loans made to local political subdivisions which are generally unsecured and to small businesses which are also secured by personal guarantees and personal property of the borrower evidenced by a filing under the Uniform Commercial Code. Loans from the Parking Garage Fund (PGF) represent loans that relate to the Board's parking garage projects and are secured.

In February 2010 the Board loaned the Land Clearance for Redevelopment Authority of the City of St. Louis (LCRA) $5 million to assist with the redevelopment of One City Center, an office building that is adjacent to the Seventh Street Garage project. The loan is secured by the full-faith and credit obligation of the LCRA and assignment of LCRA's interest in One City Center. Interest is adjusted annually each December 1 to a variable rate equal to the Applicable Interest Rate on each Adjustment Date. For Adjustment Dates occurring on and subsequent to December 1, 2016, the interest rate is equal to the Current Index, which is the weekly average yield on U.S. Treasury securities adjusted to a constant maturity of one year as made available by the Federal Reserve Board, plus 2 percent. For the years ended June 30, 2019 and 2018, the stated interest rate was 4.66 percent and 3.42 percent, respectively. Final maturity is December 1, 2019.

In December 2015 the Board approved an unsecured line of credit to the St. Louis Regional Convention and Sports Complex Authority (STL RSA) for up to $3 million to be drawn by December 31, 2016, in an effort to maintain an NFL team in St. Louis. The total principal balance at both June 30, 2019 and 2018, was $1.5 million. The note carries interest of 4 percent annually, with a final maturity date of January 14, 2021. The payment of interest is deferred until January 14, 2020. Deferred interest is added to the principal of the loan monthly. No principal is due on the loan until final maturity.

At June 30, 2019 and 2018, the allowance for loan losses was $2,231,914 and $2,235,896, respectively. Allowance for loan losses is evaluated on a per loan basis. During the years ended June 30, 2019 and 2018, the allowance for loan losses was reduced in the Industrial Development and Reserve Fund by $1,948 and $255,434, respectively, due to the collection of installments on the American Fish and Wildlife Museum and Continental Building loans. The allowance for loan losses was reduced in the Revolving Loan Fund for fiscal years ended June 30, 2019 and 2018, by $2,034 and $6,100, respectively, due to the collection of installments on various MIDOC and Small Business Loan program loans previously fully reserved. The principal amount of the loan payments received from defaulted loans is recorded in other income.

No allowance has been established in connection with the Parking Garage Fund loans due to the nature of the loans.

Loans and notes receivable at June 30, 2019 and 2018, were as follows:

	2019			2018		
Fund	**Current**	**Long-term**	**Allowance**	**Current**	**Long-term**	**Allowance**
Industrial Development and Reserve	$ -	$ 20,626,504	$ 1,997,301	$ -	$ 20,628,452	$ 1,999,249
Parking Garage	5,000,000	-	-	-	5,000,000	-
Revolving Loan	230,967	1,863,859	234,613	235,554	1,993,899	236,647
Total	5,230,967	22,490,363	$ 2,231,914	235,554	27,622,351	$ 2,235,896
Less: allowance for loan losses	-	2,231,914		-	2,235,896	
Total loans and notes receivable, net	$ 5,230,967	$ 20,258,449		$ 235,554	$ 25,386,455	

NOTE 6

Restricted Assets

Contributions received for tax credits on behalf of other entities are treated as conduit transactions, with the amount of held contributions recorded as restricted assets with a corresponding liability (see Note 9).

In December 2000 the Board issued debt in the amount of $21.1 million to finance the construction of the St. Louis Convention Center Hotel Garage (SLCCHG) project. Pursuant to the bond documents the Board was required to establish an Operating Reserve and to deposit all net operating profits in such account. Amounts held in the Operating Reserve may be utilized for ongoing operating expenses and debt service on the SLCCHG. Any amount in the Operating Reserve over $1,375,000 may be transferred to other Board accounts without bank consent (also see Note 10 for additional covenants). As of June 30, 2019 and 2018, the balance held in the operating reserve was $4,289,048 and $3,281,244, respectively.

In April 2010 the Board issued debt in the amount of $9 million to assist with the financing of the Seventh Street Garage (SSG) project. On June 28, 2012, pursuant to amended bond documents, the Board pledged the Ninth Street Garage and revenues from such garage, along with the requirement to maintain an operating reserve of $500,000, to the holder of the SSG bonds. See Note 10 for details.

As of June 30, 2019 and 2018, the Board had $1,875,000, in total assets restricted in the Parking Garage Fund (PGF) to satisfy the above requirements (see the following table).

The Revolving Loan Fund consists of activities for the MIDOC and Small Business Loan programs. Cash in this fund is restricted for these programs.

Restricted assets consist of the following as of June 30:

	2019	2018
Tax credit for contribution deposits (Note 9)	$ 7,990,638	$ 11,772,759
Total restricted assets – Industrial Development and Reserve Fund	7,990,638	11,772,759
St. Louis Convention Center Hotel Garage reserve deposits	1,375,000	1,375,000
Additional Seventh Street Garage bond reserve deposits	500,000	500,000
Total restricted assets – Parking Garage Fund	1,875,000	1,875,000
MIDOC funds	1,079,428	1,579,110
Small Business Loan funds	1,584,220	1,393,604
Total restricted assets – Revolving Loan Fund	2,663,648	2,972,714
Total restricted assets	$ 12,529,286	$ 16,620,473

NOTE 7
Capital Assets

During 2000, the Board used a $6 million contribution from a taxpayer and $21.1 million in bond proceeds to purchase land and begin construction of the St. Louis Convention Center Hotel Garage (SLCCHG) adjacent to the St. Louis Convention Center Hotel in downtown St. Louis. The SLCCHG began operations in August 2002.

In April 2003, the Board used a $10 million contribution from a taxpayer and began participating in two related redevelopment projects in downtown St. Louis, Missouri. During 2004 and 2005, $18.8 million in additional funds were raised to fund the remainder of the projects. The first project, commonly referred to as the "Old Post Office Project" or the "OPO Project," consisted of the acquisition and renovation of the U.S. Custom House and Old Post Office, a historic structure in downtown St. Louis. The second project consisted of the acquisition and demolition of the Century Building and the construction of a parking garage located to the west of the OPO Project. This project is known as the "Ninth Street Garage Project" or the "NSG Project." The OPO and NSG Projects are separate and distinct projects for purposes of financial reporting, but integrally linked for development and operational purposes.

The Board acquired title to the OPO Project on October 13, 2004, from the General Services Administration of the United States of America at no cost to the Board. The Board then executed a 99-year lease of the OPO Project with

St. Louis U.S. Custom House and Post Office Building Associates, LP, a Missouri limited partnership (OPO Master Lessee). In connection with the financial closing of the OPO Project on October 14, 2004, the Board made a subordinated loan to the OPO Master Lessee in the amount of $12.75 million to assist in the financing of the OPO Project with the option to purchase the OPO leasehold interest from the OPO Master Lessee for a two-year period beginning December 31, 2014, at a purchase price equal to the greater of the fair market value or the development debt outstanding. Instead of exercising its purchase option, the Board opted to refinance the first mortgage loan and subordinated loan at then current market rates. Within the refinancing agreements the purchase option was extended to 2032. The balance of the outstanding principal for both of the years ended June 30, 2019 and 2018, was $17,129,203. Renovation of the OPO Project was completed in late 2006.

The NSG Project is owned by the Board and consists of the development and construction of a 1,050-space parking garage located on the west side of Ninth Street directly across from the OPO Project. The land was purchased in April 2003. The Board has entered into long-term parking leases with tenants of the OPO Project and with surrounding businesses and building owners. The NSG Project was completed in 2007.

In April 2010 the Board acquired title to 601 Locust, now known as Seventh Street Garage (SSG), via an assignment of purchase and sale agreement with the LCRA. Total consideration for the exchange was approximately $14.2 million. The SSG project was part of a larger redevelopment project affecting adjoining office buildings in St. Louis. The building consists of a 750-space parking garage and first floor retail space. The retail space has been leased to a master lessee under a long-term capital lease. The SSG parking garage became operational in February 2011.

Capital asset activity for the year ended June 30, 2019, was as follows:

	Balance June 30, 2018	Additions	Deletions/ Retirements/ Transfers	Balance June 30, 2019
Capital assets, not being depreciated:				
Land	$ 7,219,739	$ -	$ -	$ 7,219,739
Construction in progress	856,780	492,778	(992,461)	357,097
Total capital assets not being depreciated	8,076,519	492,778	(992,461)	7,576,836
Capital assets, being depreciated:				
Building	78,403,953	-	460,319	78,864,272
Equipment	418,936	166,794	(1,900)	583,830
Leasehold improvements	305,712	-	532,142	837,854
Vehicle	19,172	-	-	19,172
Software	23,466	-	-	23,466
Total capital assets being depreciated	79,171,239	166,794	990,561	80,328,594
Less: accumulated depreciation for:				
Building	20,765,047	2,008,899	-	22,773,946
Equipment	353,019	43,994	(1,900)	353,113
Leasehold improvements	125,098	82,902	-	208,000
Vehicle	19,172	-	-	19,172
Software	23,466	-	-	23,466
Total accumulated depreciation	21,285,802	2,135,795	(1,900)	23,419,697
Total capital assets being depreciated, net	57,885,438	(1,969,002)	992,461	56,908,897
Total capital assets, net	$ 65,961,957	$ (1,476,224)	$ -	$ 64,485,733

A summary of capital assets by fund as of June 30, 2019, was as follows:

	Industrial Development and Reserve Fund	Parking Garage Fund	Total
Land	$ -	$ 7,219,739	$ 7,219,739
Construction in progress	-	357,097	357,097
Building	-	78,864,272	78,864,272
Equipment	103,236	480,594	583,830
Leasehold improvements	56,211	781,643	837,854
Vehicle	19,172	-	19,172
Software	14,626	8,840	23,466
Subtotal	193,245	87,712,185	87,905,430
Less: accumulated depreciation	(190,240)	(23,229,457)	(23,419,697)
Total capital assets, net	$ 3,005	$ 64,482,728	$ 64,485,733

Capital asset activity for the year ended June 30, 2018, was as follows:

	Balance June 30, 2017	Additions	Deletions/ Retirements/ Transfers	Balance June 30, 2018
Capital assets, not being depreciated:				
Land	$ 7,219,739	$ -	$ -	$ 7,219,739
Construction in progress	203,630	653,150	-	856,780
Total capital assets not being depreciated	7,423,369	653,150	-	8,076,519
Capital assets, being depreciated:				
Building	78,398,337	5,616	-	78,403,953
Equipment	418,518	1,296	(878)	418,936
Leasehold improvements	184,672	121,040	-	305,712
Vehicle	19,172	-	-	19,172
Software	23,466	-	-	23,466
Total capital assets being depreciated	79,044,165	127,952	(878)	79,171,239
Less: accumulated depreciation for:				
Building	18,786,992	1,978,055	-	20,765,047
Equipment	314,687	39,210	(878)	353,019
Leasehold improvements	94,749	30,349	-	125,098
Vehicle	19,172	-	-	19,172
Software	22,729	737	-	23,466
Total accumulated depreciation	19,238,329	2,048,351	(878)	21,285,802
Total capital assets being depreciated, net	59,805,836	(1,920,398)	-	57,885,438
Total capital assets, net	$ 67,229,205	$ (1,267,248)	$ -	$ 65,961,957

A summary of capital assets by fund at June 30, 2018, was as follows:

	Industrial Development and Reserve Fund	Parking Garage Fund	Total
Land	$ -	$ 7,219,739	$ 7,219,739
Construction in progress	-	856,780	856,780
Building	-	78,403,953	78,403,953
Equipment	100,615	318,321	418,936
Leasehold improvements	56,211	249,502	305,713
Vehicle	19,172	-	19,172
Software	14,626	8,840	23,466
Subtotal	190,624	87,057,135	87,247,759
Less: accumulated depreciation	(189,625)	(21,096,177)	(21,285,802)
Total capital assets, net	$ 999	$ 65,960,958	$ 65,961,957

NOTE 8

Compensated Absences

Board employees are granted vacation, sick, and compensatory leave. The amounts of accrued vacation and compensatory hours are included as current and non-current liabilities. The current amount due is only an estimate. The costs of sick leave are not accrued. For the fiscal years ended June 30, 2019 and 2018, total accrued compensated absences were $82,509 and $77,867, respectively.

Changes in compensated absences for the year ended June 30, 2019, was as follows:

	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Compensated absences	$ 77,867	$ 38,164	$ 33,522	$ 82,509	$ 28,623

Changes in compensated absences for the year ended June 30, 2018, was as follows:

	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Compensated absences	$ 79,527	$ 37,475	$ 39,135	$ 77,867	$ 29,685

NOTE 9

Tax Credit for Contribution Deposits

One of the programs established by the Board's statutes is the Tax Credit for Contribution Program. The statutes allow the Board to authorize up to $10 million in tax credits each calendar year. The limitation on tax credit authorization may be exceeded only upon mutual agreement, evidenced by a signed and properly notarized letter, by the Commissioner of the Office of Administration, the Director of the Department of Economic Development, and the Director of the Department of Revenue that such action is essential to ensure retention or attraction of investment in Missouri, provided, that in no case shall more than $25 million in tax credits be authorized during any calendar year. The Board authorized $10,000,000 and $9,610,000 in tax credits for the calendar years ending December 31, 2018 and 2017.

By statute the Board is authorized to grant tax credits in an amount equal to 50% of contributions accepted by the Board. Eligible infrastructure projects approved by the Board are granted the contributions. Contributions received by the Board are remitted to fund approved projects. Contributions on deposit with the Board are reflected as restricted assets and a liability in the accompanying financial statements. As of June 30, 2019 and 2018, the Board held deposits received pursuant to the Tax Credit for Contribution Program of $7,990,638 and $11,772,759, respectively.

NOTE 10

Long-Term Debt

Changes in outstanding debt for the year ended June 30, 2019, were as follows:

	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Long-term debt	$ 17,152,000	$ -	$ 3,348,000	$ 13,804,000	$ 232,000

Changes in outstanding debt for the year ended June 30, 2018, were as follows:

	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Long-term debt	$ 19,696,000	$ -	$ 2,544,000	$ 17,152,000	$ 223,000

A summary of debt held as of June 30, was as follows:

	2019	2018
St. Louis Convention Center Hotel Garage – $3,910,000 Series 2000B, taxable infrastructure facilities revenue bonds; and $11,440,000 St. Louis Convention Center Hotel Garage Series 2000C, tax exempt infrastructure facilities revenue bonds. Variable rate interest installments are paid monthly with interest not to exceed 10% per annum. Remaining principal is due December 1, 2020.	$ 9,320,000	$ 9,320,000
Seventh Street Garage – $9,000,000 Series 2010, Recovery Zone Facility Bonds. Monthly interest installments began July 1, 2010, and monthly principal installments began June 1, 2012. The interest rate per the Interest Deferral Agreement is the lesser of 1.25 percent plus 30-day LIBOR or 4.25 percent through April 30, 2015; then a fixed rate at 4.25 percent through May 2020. Variable rate thereafter through May 2040.	4,484,000	7,832,000
Total	13,804,000	17,152,000
Less: current portion	(232,000)	(223,000)
Long-term debt	$ 13,572,000	$ 16,929,000

St. Louis Convention Center Hotel Series 2000B and 2000C:

The annual debt service requirement as of June 30, 2019, was as follows:

	Principal	Interest	Total
2020	$ -	$ 173,911	$ 173,911
2021	9,320,000	173,911	9,493,911
Totals	$ 9,320,000	$ 347,822	$ 9,667,822

The SLCCHG bonds have mandatory sinking fund redemptions that are the equivalent of maturing principal as indicated above. The annual debt service schedule above assumes an interest rate of 1.866 percent representing the average interest rate at June 30, 2019. Debt is further collateralized by Bond Guarantee Tax Credits equal to the outstanding amount of the obligation and a Deed of Trust on the SLCCHG.

The Series 2000B SLCCHG bonds bear interest at a weekly rate; the Series 2000C SLCCHG bonds bear interest at a daily rate. The interest rate on bonds will be determined by the remarketing agent as the lowest rate of interest which in its judgment will cause the bonds to have a market value, as of the date of determination, equal to the principal amount of the bonds, taking into account prevailing market conditions.

Seventh Street Garage Series 2010:

The annual debt service requirement as of June 30, 2019, was as follows:

	Principal	Interest	Total
2020	$ 232,000	$ 186,108	$ 418,108
2021	242,000	176,031	418,031
2022	252,000	165,516	417,516
2023	264,000	154,573	418,573
2024	275,000	143,158	418,158
2025-2029	1,567,000	532,118	2,099,118
2030-2034	1,652,000	159,722	1,811,722
Totals	$ 4,484,000	$ 1,517,225	$ 6,001,225

The SSG bonds have mandatory sinking fund redemptions that are the equivalent of maturing principal as indicated above. The Board is required to deposit all amounts received from SSG to UMB Bank, N.A. for payment on the bonds. The Board may request a withdrawal of funds exceeding the $500,000 minimum balance requirement (see Note 6). Withdrawn amounts can be used for any purpose of the Board. For the period ended June 30, 2019, the Board was in compliance with said requirement. Debt is further collateralized by Bond Guarantee Tax Credits equal to the outstanding amount of the obligation plus any accrued interest, a Deed of Trust on the Seventh Street Garage, and a Deed of Trust on the Ninth Street Garage.

As of June 28, 2012 through April 30, 2015, the Board entered into an Interest Deferral Agreement whereby the bond interest rate is the lesser of the Modified Pay Rate or 4.25 percent annually. The Modified Pay Rate is defined as the LIBOR rate plus 1.25 percent per annum (or 1.65 percent per annum if the Ninth Street Garage Deed of Trust is removed as collateral). The difference between the two rates is deferred until due or forgiven. The deferred interest was forgiven on May 28, 2019.

For the period May 1, 2015 through maturity, the SSG bonds will carry a fixed rate of interest recalculated every five years. The rate is the sum of the five year U.S. Treasury Rate on the first day of the rate period plus 2.59 percent not to be less than 4.25 percent. For the period beginning May 2015 and ending May 2020, the rate paid by MDFB will not exceed 5.264 percent pursuant to a rate cap agreement with Morgan Stanley Capital Services, LLC (see Note 3). The rate for the period beginning May 2015 is 4.25 percent.

NOTE 11

Unearned Revenue

In April 2010 U.S. Bank prepaid rent of $1 million to SSG. The prepayment is reflected in unearned revenue and is amortized over the life of the lease. For the fiscal years ended June 30, 2019 and 2018, SSG's unearned revenue was $719,444 and $752,778, respectively.

In addition, for the fiscal years ended June 30, 2019 and 2018, St. Louis Convention Center Hotel Garage unearned revenue was $7,672 and $20,914, respectively, for parking rent paid in advance.

Total unearned revenue for fiscal years ended June 30, 2019 and 2018, was $742,716 and $789,292, respectively.

NOTE 12

Rental Income

The St. Louis Convention Center Hotel Garage (SLCCHG) is an 880-space parking garage constructed by the Board to support the St. Louis Convention Center Hotel project in downtown St. Louis. The carrying value of the garage is $22,877,364, less accumulated depreciation of $7,582,273 and $7,054,572 as of June 30, 2019 and 2018, respectively. In May 2014 the Board executed new license agreements, one with 800 Washington, LLC, formerly Renaissance Grand Hotel, and another with Lennox Suites, LLC, formerly Courtyard Marriott Hotel, (Licensees). Both license agreements terminate on June 30, 2054. Under the agreement with 800 Washington, LLC, 275 undesignated, unreserved parking spaces are allocated by the Operator for daily use by the Renaissance Grand Hotel guests with the option of an additional 325 spaces with a seven days prior notice. 800 Washington, LLC is obligated to pay a base annual license charge of $62,500 per month plus an amount equal to 40% of the amount by which operating expenses in the garage exceeds $560,000. Under the agreement with Lennox Suites, LLC, 50 undesignated, unreserved spaces are allocated by the Operator for daily use by the Courtyard Marriott Hotel guests with the option of an additional 50 spaces with two days prior notices. Starting July 1, 2016, the Licensee is to pay a base annual license charge of $100,000 per annum. Effective July 1, 2017, the Lennox Suites, LLC Licensee also incurs an amount equal to 10% of the amount by which operating expenses in the garage exceed $570,000 (indexed). In addition to the hotels, the nearby Merchandise Mart, a mixed-use development with apartments and retail space, has a lease for up to 118 spaces in this parking garage with minimum annual lease payments of $25,000. The initial lease is for 19 years with an expiration date of December 31, 2021. There is a renewal option for an additional 11 years if the Merchandise Mart pays a $50,000 renewal fee 90 days prior to the lease expiration term. The STL Loft Partners, LLC executed a lease with the Board on October 19, 2012, for 50 years; 40 spaces are to be taken the first year, and up to 35 additional spaces could be requested with notice by May 31, 2014. On May 31, 2014, STL Loft Partners, LLC notified the Board that the final number of spaces to be leased is 65. On March 1, 2017, STL Loft Partners, LLC was purchased, and the parking lease assumed, by Strategic STL Lofts LLC. Both the Merchandise Mart and Strategic STL Tower LLC leases call for parking rates to be equivalent to rates paid by the general public for monthly parking.

The Parking Garage Fund's Ninth Street Garage (NSG) is a 1,050-space parking garage constructed by the Board to support the renovation of the Old Post Office project and redevelopment of adjacent vacant buildings in downtown St. Louis. The carrying value of the garage is $33,386,510, less accumulated depreciation of $9,354,956 and $8,566,353 as of June 30, 2019 and 2018, respectively. Leases are in place with the Eastern District Court of Appeals, Webster University, Frisco Associates (assigned to Cas-Tex-Neda, LLC), Pyramid Construction (assigned to Paul Brown Developer, LP), Locust Street Lofts TWG, LLC, and entities associated with the Syndicate Building. In October 2012 STL Tower Partners, LLC executed a lease for up to 165 reserved spaces and had to provide notice as to the maximum number of spaces they would occupy. On August 1, 2014, the Board received notice as to the number of spaces would be 100. The lease was amended on July 1, 2015, to add 50 unreserved spaces that had to be taken by October 1, 2015. On March 1, 2017, STL Tower Partners, LLC was purchased, and the parking lease assumed by Strategic STL Tower LLC. The Board's garage operator also executed an agreement beginning August 2014 with St. Louis University Law School for up to 150 parking spaces.

Under a lease dated November 26, 2008, the Board leased the 20,800 square feet of retail space in the NSG to SMI-NSG, LLC, an affiliate of Schnucks Markets, Inc. and DESCO. The lessee operates an urban concept grocery store, Culinaria, and pays annual rent of $187,200. The lease is on a triple net basis. The term of the lease is 10 years with six, five-year renewal options. The Board also entered into a Parking Validation Agreement that provides store customers with free parking for one hour from nine-to-five on weekdays and two hours at all other times, as well as a provision for free employee parking for up to 336 hours per day. There also is an agreement with Schnucks Markets, Inc. to share in the additional expenses for weekend staffing of the parking garage. In August 2009 the Board funded SMI-NSG, LLC $1.1 million of remaining NSG bond funds for tenant improvements in the grocery store.

The Parking Garage Fund's Seventh Street Garage (SSG) is a 750-space parking garage that began operations in February 2011. The carrying value of the garage is $31,448,312 less accumulated depreciation of $6,292,228 and $5,391,222 as of June 30, 2019 and 2018, respectively. The SSG executed two parking leases that became effective February 1, 2011.

The first parking lease is with U.S. Bank, NA which leases 400 parking units. The term of the lease is for 30 years and there are two, 10-year renewal options. The parking rent is the greater of $125 per month, the market rate, or the monthly contract rate as defined in the agreement, but never less than the amount in effect for the prior year. Lease payments are payable on the first of each month. The rent will be determined annually at least 30 days preceding the effective date and each anniversary date of the effective date. In addition to the base rent described above, the tenant paid supplemental rent of $1 million (see Note 11) which was recorded as unearned revenue and is being amortized over the term of the lease.

The second parking lease is with 600 Tower, LLC, which leases 240 parking spaces (85 reserved and 155 unreserved) upon initiation of the lease, increasing by 15 additional unreserved spaces up to 475 units; and monthly rent was $155 per reserved space, and $130-$135 per unreserved space adjusted $5 every two years during the lease term. Currently, 600 Tower, LLC takes a total of 475 spaces (89 reserved and 386 unreserved) at $175 per reserved space and $150 per unreserved space. Monthly rent also can be adjusted based on market rent. The term of the lease is for 30 years and there are two, 10-year renewal options.

Parking lease income is reflected in the *Statements of Revenues, Expenses, and Changes in Net Position* as *Parking garage revenues* and the Schnucks Markets, Inc. retail space lease income is shown as *Rental income*.

Future minimum rental income on non-cancelable operating leases was as follows:

	St. Louis Convention Center Hotel Garage	Ninth Street Garage	Seventh Street Garage
2020	$ 976,400	$ 717,725	$ 1,497,600
2021	976,400	624,125	1,526,100
2022	963,900	624,125	1,526,100
2023	951,400	624,125	1,554,600
2024	951,400	624,125	1,554,600
2025-2029	4,757,000	2,612,313	8,029,500
2030-2034	4,757,000	2,227,500	8,371,500
2035-2039	4,757,000	1,977,490	8,742,000
2040-2044	4,757,000	1,710,000	3,593,700
2045-2049	3,907,000	1,415,250	-
2050-2054	507,000	1,125,000	-
2055-2059	507,000	1,125,000	-
2060-2062	228,150	675,000	-
Totals	$ 28,996,650	$ 16,081,778	$ 36,395,700

NOTE 13

Contributions to Others

During fiscal year 2019, the Board disbursed a grant that was approved to the City of St. Charles for $515,000. The Board also approved and disbursed $250,000 to the Department of Economic Development for their Best in Midwest Initiative, see Note 4(b) above. These expenses are presented as contributions to others.

During fiscal year 2018 there were no contributions to others.

NOTE 14

Lease Agreements

(a) 601 Locust Street, St. Louis, Missouri – Seventh Street Garage

In fiscal year 2010 MDFB purchased the entire real estate and building commonly known as St. Louis Centre (601 Locust Street in St. Louis) for approximately $14.2 million from St. Louis Centre Building, LLC (see Note 7). Such purchase was part of the plan to develop the Seventh Street Garage.

MDFB, in turn, immediately leased floor 1 and part of floor 2 to Mercantile Exchange, Inc. (MEI), an unrelated entity, for a term of 100 years (expiring in 2110) for a one-time lease payment of approximately $8.8 million. The lease is treated by MDFB as a capital lease for accounting purposes and as a sale for income tax purposes.

At the end of the lease MEI will deliver possession back to MDFB, unless MEI causes the building to be converted into two or more condominium units (one for the garage and one for the retail space) and exercises its option to purchase the retail space for $100,000. MEI must meet certain conditions in order to exercise this option.

(b) Office Lease Obligation

In October 2004 the Board entered into a lease with Hotel Governor of Jefferson City, LLP, to lease 3,501 square feet on the 10th Floor of the Governor Office Building in downtown Jefferson City for use as the Board's offices. The lease is an operating lease with a term of 10 years. The Board has capitalized related tenant improvements in the amount of $56,211. In July 2014 the Board renewed its lease for a five-year term with a five-year option. The Board exercised its five-year option during fiscal year 2019 extending the lease through September 30, 2024. With the five-year option the Board negotiated a new rent schedule which keeps the rents fixed through the five year term at $72,432 annually. During fiscal years 2019 and 2018 rent totaling $70,664 and $69,164 was paid, respectively

Future minimum lease payments for this lease are as follows:

	Hotel Governor
2020	$ 72,432
2021	72,432
2022	72,432
2023	72,432
2024	72,432
2025	18,108
Total future minimum lease payments	$ 380,268

(c) KC Overhaul Base Lease

In December 2004 the Board accepted a contribution from the EDC Loan Corporation (EDC), a not-for-profit organization, consisting of an assignment of a 50-year leasehold interest in the Kansas City Overhaul Base located adjacent to the Kansas City International Airport (the Overhaul Base).

EDC's contribution to the Board of the leasehold interest was valued by two independent appraisers at the lowest value of $32 million. In return the Board issued a total of $16 million in contribution tax credits to EDC. These tax credits were sold in accordance with the Tax Credit Agreement to independent parties on March 3, 2005, July 2, 2005, and June 30, 2006; total proceeds were $13.76 million. The Board paid the proceeds from the tax credit sales less the Board fee to the City to be used for the renovation of the Overhaul Base.

In addition, the City and the Board entered into an assumption agreement as of December 31, 2004, with the City pursuant to which the City assumed all responsibility and liability relating to ownership, management and operations of the Overhaul Base. As a result of this assumption of the leasehold interest by the City, the Board has no assets or liabilities related to the leasehold interest recorded in its financial statements.

In May 2015 the Board executed an Amendment to the Tax Credit Agreement containing a provision that the City will return all unexpended proceeds from the sale of tax credits to the Board by September 20, 2017. The amount of unexpended proceeds as of September 20, 2017, was $1,491,915 and the Board notified the City such amount was due to the Board on July 25, 2018 and subsequently received the funds in August 2018. On April 1, 2019, the Board conveyed the leasehold interest back to the City.

(d) State of Missouri Acting By and Through Its Office of Administration

In November 2005 and May 2006 the Board issued Series 2005 and 2006 Leasehold Revenue Bonds for the benefit of the State of Missouri Office Buildings Project. With the proceeds of the bonds, the Board purchased four office buildings, which it then leased on a triple net basis to the State of Missouri through its Office of Administration (OA) for the term of the debt, 25 years, subject to annual State appropriation of lease payments needed to retire the fixed rate, level amortization bonds. The Board transferred its interests in the lease agreement and security interest in the buildings to the bond trustee through a trust indenture.

Bond payments are to be paid exclusively from rent revenues received. In addition, payment of the Series 2005 Bonds is insured by a municipal bond new issue insurance policy. The bonds do not constitute a debt or liability of the Board.

Upon request, the State has the option to purchase the buildings. Furthermore, once bonds are paid in full, ownership transfers to the State. The State retains all rights and obligations of ownership of the buildings. As a result, the Board has excluded the buildings and related debt from its financial statements.

In June 2013 the Board issued Series 2013A Leasehold Revenue Refunding Bonds to provide for the defeasance, payment and discharge of a portion of the 2005 Leasehold Revenue Bonds. Bond proceeds were placed in escrow and in September 2015 Series 2005 bonds with maturities from 2016 through 2030 were redeemed.

In June 2013 the Board issued Series 2013B Leasehold Revenue Refunding to provide for the defeasance, payment and discharge of a portion of the Series 2006 Leasehold Revenue Bonds. Bond proceeds were placed in escrow and in September 2015 Series 2006 bonds with maturities from 2016 through 2030 were redeemed.

(e) MasterCard International Incorporated Facility Lease

In 1999 the Board issued bonds for $154 million to fund construction of approximately 414,000 square feet of office space and a 114,000-square foot data and energy center on 52 acres in O'Fallon. In order for MasterCard to qualify for tax abatement, the Board took title to the property which it leased to the O'Fallon Public Facilities Authority (Authority). The Authority used the proceeds of the bond issue to build and equip the MasterCard project, and then leased the building to MCI O'Fallon 1999 Trust (Trust), which further subleased to MasterCard. In 2008 MasterCard exercised its option to refund the bonds. The Board issued $160 million in conduit debt to facilitate the refunding. The refunding eliminated the Authority and the Trust and resulted in the Board leasing the project to MasterCard directly.

Bond payments and related interest are to be paid exclusively from rent and other revenues from the lease agreement. Such payments, revenues and receipts are pledged and assigned to the bond trustee as security for the payment of the bonds as provided in the Bond Indenture. The bonds do not constitute a debt or liability of the Board.

Upon request, MasterCard has the option to purchase the buildings. Furthermore, once bonds are paid in full, MasterCard can purchase the facility for $10. The bonds matured September 1, 2019 and MasterCard is pursuing the option to purchase the facility.

MasterCard retains all rights and obligations of ownership of the buildings. As a result, the Board has excluded the buildings and related debt from its financial statements.

NOTE 15

Commitments and Contingencies

(a) Conduit Bond Issues

As of June 30, 2019, the Board has issued $1,637,967,574 in Private Activity Bonds and $2,624,104,000 in Public Purpose and Refunding Revenue Bonds. The outstanding balances on these bonds and notes as of June 30, 2019, were approximately $350,740,795 and $976,803,000, respectively.

As of June 30, 2018, the Board has issued $1,637,967,574 in Private Activity Bonds and $2,624,104,000 in Public Purpose and Refunding Revenue Bonds. The outstanding balances on these bonds and notes as of June 30, 2018, were approximately $382,493,310 and $1,016,018,000, respectively.

The Board has no liability for repayment of these revenue bonds and notes; accordingly, these bonds and notes have not been recorded in the accompanying financial statements. Security for the bondholders consists of the unconditional obligation of the borrowers to repay the bonds and notes and in certain cases, insurance, letters of credit, annual appropriation pledges and certain funds held through trustees under the various indentures.

(b) Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; and workers' compensation claims. The Board carries commercial insurance for theft of assets and workers' compensation. The Board carries commercial property, comprehensive liability, and business interruption insurance policies on the St. Louis Convention Center Hotel, Ninth Street, and Seventh Street parking garages. The Board is self-insured for all other risks of loss.

The Board had no material unpaid claims, liabilities, or settlements related to any loss in any of the past three years.

(c) Small Business Loan Program

In January 2009 MDFB designated $2 million of its fund for low-interest and no-interest direct loans for small businesses. In August 2014 the Board modified the program to include disaster relief projects. The small business loan program operates as a revolving fund program and loan payments received by the Board are deposited back into the program. As of June 30, 2019 and 2018, the balances in this program were $1,584,220 and $1,393,604, respectively. Since its inception, the Board has loaned approximately $2.2 million to 63 small businesses and one small business disaster relief loan program across the State of Missouri. The Board continues to work with DED to loan the remaining funds. The Small Business Loan Program is reflected in the Revolving Loan Fund (RLF) (see Note 5).

(d) Loan Commitment

In August 2018 the Board approved a commitment to make a loan in an amount not to exceed of $6.1 million to Missouri State University (MSU) to support a portion of the construction costs of a parking garage necessary for an expansion of the Jordan Valley Innovation Center (JVIC). MSU has until December 31, 2019 to close on the loan. If originated, the principal of the loan will be amortized over the term of the loan, not to exceed 20 years from the date of closing, with annual payments of principal and interest to correspond with special assessments of tax from a Transportation Development District formed by the Board. The Board also will require a first mortgage on the parking garage and an assignment of all rents and revenues of the parking garage. MSU must own and control the parking garage for 20 years and, along with the City of Springfield and the property developer, each must covenant not to build or offer alternate parking unless the parking garage is regularly and routinely full.

NOTE 16

Employees' Retirement Benefits – Deferred Compensation Plan

Board employees are eligible to contribute to the State of Missouri's Deferred Compensation Plan. The Deferred Compensation Plan is an eligible state deferred compensation plan as defined by Section 457 of the Internal Revenue Code. Effective January 1, 1999, amounts deferred under the plan are held in trust for the exclusive benefit of the plan participants and their beneficiaries. At this time the plan is funded only by participating employee deferrals. For fiscal years ended June 30, 2019 and 2018, the Board made no employer contributions into the plan.

NOTE 17

Employees' Retirement Benefits – Defined Benefit Pension Plan

(a) Summary of Significant Accounting Policies

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

(b) General Information about the Pension Plan

Plan description. Benefit eligible employees of the Board are provided with pensions through Missouri State Employees' Plan (MSEP) – a cost-sharing, multiple-employer defined benefit pension plan administered by MOSERS. The plan is referred to as MOSERS in the notes. Chapter 104.320 RSMo grants the authority to establish a defined benefit plan for eligible state and other related agency employees. MOSERS issues an annual Comprehensive Annual Financial Report (CAFR), a publicly available financial report that can be obtained at www.mosers.org.

Benefits provided. MOSERS provides retirement, disability, and life insurance benefits to eligible employees. The base retirement benefits are calculated by multiplying the employee's final average pay by a plan-specific factor multiplied by the years of creditable service. The factor is based on the specific plan in which the employee participates, which is based on the employee's hire date. Information on the three plans administered by MOSERS (MSEP, MSEP 2000, and MSEP 2011 retirement plans) and how eligibility and the benefit amount is determined for each plan may be found in the Notes to the Financial Statements of MOSERS' CAFR starting on page 30.

Contributions. Per Chapter 104.436 RSMo, contribution requirements of the active employees and the participating employers are established and may be amended by the MOSERS Board. Employees in the MSEP 2011 Plan are required to contribute 4 percent of their annual pay. The Board's required contribution rate for the years ended June 30, 2019 and 2018, was 20.21% and 19.45% of annual payroll, respectively, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance the unfunded accrued liability.

Contributions to the pension plan from the Board were $103,172 and $104,367 for the years ended June 30, 2019 and 2018, respectively.

Net pension liability. At June 30, 2019 and 2018, the Board reported a liability of $1,435,602 and $1,323,334, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 and 2017, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The total pension liability was offset by the fiduciary net position obtained from MOSERS' CAFR as of June 30, 2018 and 2017, to determine the net pension liability.

The Board's proportion of the net pension liability was based on the Board's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for MOSERS plan years ended June 30, 2018 and 2017, respectively. At the June 30, 2018, measurement date, the Board's proportion was 0.0257 percent, an increase from its proportion measured using 0.0254 percent as of the June 30, 2017, measurement date.

During the MOSERS plan year ended June 30, 2018, there were no changes in benefit terms that affected the measurement of total pension liability. During the MOSERS plan year ended June 30, 2017, there were changes to MSEP 2011 benefit provisions that reduced the actuarial accrued liability. There were no other changes in benefit terms during the MOSERS plan year ended June 30, 2017, that affected the measurement of total pension liability.

Actuarial assumptions. The total pension liability in the June 30, 2018, actuarial valuations, which is also the date of measurement for GASB 68 purposes, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

2018	
Inflation	2.5 percent
Salary increases	3.0 to 8.5 percent, including inflation
Wage inflation	2.5 percent
Investment rate of return	7.25 percent, compounded annually, net after investment expenses and including inflation

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015. In addition, the investment return assumption was reduced from 7.5% to 7.25% for the June 30, 2018 valuation. Other assumption changes were decreases in the payroll and wage growth assumptions.

The total pension liability in the June 30, 2017, actuarial valuations, which is also the date of measurement for GASB 68 purposes, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

2017	
Inflation	2.5 percent, approximate
Salary increases	3.25 to 8.75 percent, including inflation
Wage inflation	3.0 percent
Investment rate of return	7.5 percent, compounded annually, net after investment expenses and including inflation

The actuarial assumptions used in the June 30, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015. In addition, MOSERS' Board reaffirmed its previous decision to reduce the investment return assumption from 7.65 percent to 7.5 percent for the June 30, 2017, valuation. There were no other changes in assumptions.

Mortality. Mortality rates for post-retirement mortality are based on the RP-2014 Healthy Annuitant mortality table, projected to 2026 with Scale MP-2015 and scaled by 120%. The pre-retirement mortality table used is the RP-2014 Employee mortality table, projected to 2026 with Scale MP-2015 and scaled by 95% for males and 90% for females.

Long-term investment rate of return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates rates 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 geometric real rates of return for each major asset class included in MOSERS' target asset allocation as of June 30, 2018 and 2017, are summarized in the following table:

Asset Class	Policy Allocation	Long-term Expected Real Rate of Return*	Weighted Average Long-Term Expected Real Rate of Return
Opportunistic global equity	38.0%	5.5%	2.1%
Nominal bonds	44.0%	1.0%	0.5%
Commodities	20.0%	4.5%	0.9%
Inflation-linked bonds	39.0%	0.8%	0.3%
Alternative beta	31.0%	4.5%	1.4%
	172.0%		5.2%

*Represents best estimates of geometric rates of return for each major asset class included.

Discount rate. The discount rate used to measure the total pension liability for the periods ending June 30, 2018 and 2017, were 7.25 percent and 7.5 percent, respectively. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Board's proportionate share of the net pension liability to changes in the discount rate. The following presents the Board's proportionate share of the net pension liability calculated for the period ended June 30, 2018, using the discount rate of 7.25 percent, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	2018		
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Board's proportionate share of the net pension liability	$ 1,833,888	$ 1,435,602	$ 1,100,721

The following presents the Board's proportionate share of the net pension liability calculated for the period ended June 30, 2017, using the discount rate of 7.5 percent, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	2017		
	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Board's proportionate share of the net pension liability	$ 1,703,828	$ 1,323,334	$ 1,003,299

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued MOSERS comprehensive annual financial report.

Pension Expense. For the years ended June 30, 2019 and 2018, the Board recognized pension expense of $260,229 and $225,088, respectively.

Deferred Outflows of Resources and Deferred Inflows of Resources. At June 30, 2019, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019			
	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	$	3,267	$	(33,988)
Changes of assumptions		123,725		-
Net difference between projected and actual earnings on pension plan investments		168,845		-
Changes in proportion and differences between Board contributions and proportionate share of contributions		27,491		(6,826)
Board contributions subsequent to the measurement date of June 30, 2018		103,172		-
Total	$	426,500	$	(40,814)

$103,172 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the board's fiscal year following MOSERS' fiscal year as follows:

Year Ending June 30			
MOSERS	Board		Amount
2019	2020		170,433
2020	2021		83,532
2021	2022		28,460
2022	2023		89
		$	282,514

At June 30, 2018, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2018			
	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	$	7,331	$	(20,842)
Changes of assumptions		116,121		(3,321)
Net difference between projected and actual earnings on pension plan investments		221,679		-
Changes in proportion and differences between Board contributions and proportionate share of contributions		29,544		(17,340)
Board contributions subsequent to the measurement date of June 30, 2017		97,293		-
Total	$	471,968	$	(41,503)

$97,293 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date was recognized as a reduction of the net pension liability in the year ended June 30, 2019.

Payables to the pension plan. The Board did not report any payables to MOSERS.

MISSOURI DEVELOPMENT FINANCE BOARD

Schedules of Required Supplementary Information
Schedule of the Board's Proportionate Share of the Net Pension Liability
Missouri State Employees' Retirement System
Last 10 Fiscal Years*

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Board's proportion of the net pension liability	0.026%	0.0254%	0.0242%	0.0256%	0.0256%
Board's proportionate share of the net pension liability	$1,435,602	$1,323,334	$1,124,116	$ 812,507	$ 602,887
Board's covered payroll	$ 500,221	$ 500,221	$ 468,994	$ 489,820	$ 511,105
Board's proportionate share of the net pension liability as a percentage of its covered payroll	286.99%	264.55%	239.69%	165.88%	117.96%
Plan fiduciary net position as a percentage of the total pension liability	59.02%	60.41%	63.60%	72.62%	79.49%

Figures are based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

*This schedule is ultimately required to show information for 10 years. Only the data for years currently available is displayed.

Schedule of Board Contributions
Last 10 Fiscal Years*

	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined	$ 103,172	$ 97,293	$ 84,888	$ 79,588	$ 83,122
Contribution in relation	$ 103,172	$ 104,367	$ 77,814	$ 79,588	$ 83,122
Contribution deficiency (excess)	$ -	$ (7,074)	$ 7,074	$ -	$ -
Board's covered payroll	$ 510,501	$ 500,221	$ 500,221	$ 468,994	$ 489,820
Contributions as a percentage of covered payroll	20.21%	19.45%	16.97%	16.97%	16.97%

*This schedule is ultimately required to show information for 10 years. Only the data for years currently available is displayed.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Changes of Benefit Terms or Assumptions

Changes of benefit terms. Senate Bill 62 (SB 62), which contained changes to the benefit structure for MSEP 2011, was passed by the 2017 legislature. The provisions of the bill decreased vesting from 10 to five years of service, but also included provisions that essentially offset the cost of the vesting change. As a result, SB 62 had no impact on the employer contribution rate and created a decrease to the UAAL of $1.6 million.

Changes of assumptions. The Board reduced the investment return assumption used in the June 30, 2018 valuation to 7.25%. The Board reduced the investment return assumption used in the June 30, 2017 valuation to 7.5%.

SUPPLEMENTARY INFORMATION

This part of the Board's comprehensive annual financial report presents the Combining Schedules of Net Position; Combining Schedules of Revenues, Expenses, and Changes in Net Position; and Combining Schedules of Cash Flows for the Board's Parking Garage Fund for the Board's Parking Garage Fund and Revolving Loan Fund for fiscal years ended June 30, 2019 and 2018.

Parking Garage Fund

St. Louis Convention Center Hotel Garage Fund

The St. Louis Convention Center Hotel Garage (SLCCHG) is an 880-space garage located at 419 North 9th Street in downtown St. Louis. The Board constructed the garage to support the St. Louis Convention Center Hotel project. Activity related to the SLCCHG is reported in this column.

Ninth Street Garage Fund

The Ninth Street Garage (NSG) consists of 1,050-space garage and 20,800 square feet of retail space located at 905-913 Olive Street in downtown St. Louis. The parking garage was constructed to support the renovation of the Old Post Office project and redevelopment of adjacent vacant buildings in downtown. Activity related to the NSG is reported in this column.

Seventh Street Garage Fund

The Seventh Street Garage (SSG) reports the activity of the 750-space parking garage located at 601 Locust Street in downtown St. Louis. The parking garage is located on floors two through four of a building formerly known as St. Louis Centre. Floor 1 and part of floor 2 are leased retail space. Activity related to the SSG is reported in this column.

Revolving Loan Fund

Missouri Infrastructure Development Loan Program Fund (MIDOC)

The MIDOC Fund presents activity from the MIDOC Loan Program. The MIDOC Loan Program offers long-term, low-interest loans to local political subdivisions, including public water and sewer districts, to fund infrastructure improvements. The program is structured as a revolving loan program with repayment proceeds used to provide additional loans for eligible infrastructure projects.

Small Business Loan Fund

The Small Business Loan (SBL) Fund shows activity from the Board's Small Business Loan Program. The SBL Program provides long-term, low-interest direct loans for small businesses located within the State of Missouri. Loans can be used to fund capital, operational, and disaster needs.

Missouri Development Finance Board
Combining Schedule of Net Position
Parking Garage Fund | *June 30, 2019*

	St. Louis Convention Center Hotel Garage Fund	Ninth Street Garage Fund	Seventh Street Garage Fund	Total Parking Garage Fund
ASSETS				
Current assets:				
Cash and cash equivalents	$ 2,914,289	$ 8,198,947	$ 2,142,254	$ 13,255,490
Current portion of loans and notes receivable	-	-	5,000,000	5,000,000
Accrued interest on investments	-	19,721	1,391	21,112
Interfund receivables	174,601	-	-	174,601
Prepaid expenses and other assets	6,910	91,982	284,542	383,434
Total current assets	3,095,800	8,310,650	7,428,187	18,834,637
Noncurrent assets:				
Restricted assets	1,375,000	-	500,000	1,875,000
Capital assets:				
Assets not being depreciated	4,705,000	2,866,403	5,432	7,576,835
Assets being depreciated, net	10,590,092	21,165,150	25,150,652	56,905,894
Total noncurrent assets	16,670,092	24,031,553	25,656,084	66,357,729
Total assets	19,765,892	32,342,203	33,084,271	85,192,366
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of hedging derivatives	-	-	387,000	387,000
LIABILITIES				
Current liabilities:				
Accounts payable and other accrued liabilities	7,921	5,610	-	13,531
Accrued bond interest payable	14,004	-	15,881	29,885
Current portion of long-term debt	-	-	232,000	232,000
Total current liabilities	21,925	5,610	247,881	275,416
Noncurrent liabilities:				
Long-term debt	9,320,000	-	4,252,000	13,572,000
Unearned revenue	7,672	15,600	719,444	742,716
Total noncurrent liabilities	9,327,672	15,600	4,971,444	14,314,716
Total liabilities	9,349,597	21,210	5,219,325	14,590,132
NET POSITION				
Net investment in capital assets	5,975,092	24,031,554	20,672,084	50,678,730
Restricted				
Restricted for debt service	1,375,000	-	500,000	1,875,000
Unrestricted	3,066,203	8,289,439	7,079,862	18,435,504
Total net position	$ 10,416,295	$ 32,320,993	$ 28,251,946	$ 70,989,234

Missouri Development Finance Board
Combining Schedule of Net Position
Parking Garage Fund | *June 30, 2018*

	St. Louis Convention Center Hotel Garage Fund	Ninth Street Garage Fund	Seventh Street Garage Fund	Total Parking Garage Fund
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,907,398	$ 7,053,142	$ 4,409,502	$ 13,370,042
Accrued interest on investments	-	11,402	16,531	27,933
Interfund receivables	171,443	-	-	171,443
Prepaid expenses and other assets	9,323	149,871	195,834	355,028
Total current assets	2,088,164	7,214,415	4,621,867	13,924,446
Noncurrent assets:				
Restricted assets	1,375,000	-	500,00	1,875,000
Derivative instrument – interest rate cap agreement	-	-	172	172
Long-term portion of loans and notes receivable	-	-	5,000,000	5,000,000
Capital assets:				
Assets not being depreciated	5,124,477	2,952,043	-	8,076,520
Assets being depreciated, net	10,562,711	21,418,966	25,902,759	57,884,436
Total noncurrent assets	17,062,188	24,371,009	31,402,931	72,836,128
Total assets	19,150,352	31,585,424	36,024,798	86,760,574
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of hedging derivatives	-	-	386,828	386,828
LIABILITIES				
Current liabilities:				
Accounts payable and other accrued liabilities	3,200	3,930	-	7,130
Accrued bond interest payable	849	-	27,738	28,587
Current portion of long-term debt	-	-	223,000	223,000
Total current liabilities	4,049	3,930	250,738	258,717
Noncurrent liabilities:				
Long-term debt	9,320,000	-	7,609,000	16,929,000
Unearned revenue	20,914	15,600	752,778	789,292
Total noncurrent liabilities	9,340,914	15,600	8,361,778	17,718,292
Total liabilities	9,344,963	19,530	8,612,516	17,977,009
NET POSITION				
Net investment in capital assets	6,367,188	24,371,009	18,070,759	48,808,956
Restricted				
Restricted for debt service	1,375,000	-	500,000	1,875,000
Unrestricted	2,063,201	7,194,885	9,228,351	18,486,437
Total net position	$ 9,805,389	$ 31,565,894	$ 27,799,110	$ 69,170,393

Missouri Development Finance Board
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Parking Garage Fund | *For the Year Ended June 30, 2019*

	St. Louis Convention Center Hotel Garage Fund	Ninth Street Garage Fund	Seventh Street Garage Fund	Total Parking Garage Fund
OPERATING REVENUES				
Parking garage revenues	$ 2,135,731	$ 1,902,436	$ 1,833,758	$ 5,871,925
Interest on loans and notes receivable	-	-	202,000	202,000
Rental income	-	187,200	33,333	220,533
Total operating revenues	2,135,731	2,089,636	2,069,091	6,294,458
OPERATING EXPENSES				
Depreciation and amortization	527,702	790,505	816,974	2,135,181
Parking garage operating expenses	699,648	663,171	540,277	1,903,096
Professional fees and other	13,531	4,953	23,015	41,499
Total operating expenses	1,240,881	1,458,629	1,380,266	4,079,776
Operating income	894,850	631,007	688,825	2,214,682
NON-OPERATING REVENUE (EXPENSE)				
Interest on cash and return on investments	-	124,092	61,246	185,338
Bond interest expense	(167,628)	-	(294,585)	(462,213)
Bond expense	(116,316)	-	(2,650)	(118,966)
Contributions to others	-	(250,000)	-	(250,000)
Total non-operating expense	(283,944)	(125,908)	(235,989)	(645,841)
Income before interfund transfers	610,906	505,099	452,836	1,568,841
INTERFUND TRANSFERS	-	250,000	-	250,000
Change in net position	610,906	755,099	452,836	1,818,841
Net position – beginning	9,805,389	31,565,894	27,799,110	69,170,393
Net position – ending	$ 10,416,295	$ 32,320,993	$ 28,251,946	$ 70,989,234

Missouri Development Finance Board

Combining Schedule of Revenues, Expenses, and Changes in Net Position

Parking Garage Fund | *For the Year Ended June 30, 2018*

	St. Louis Convention Center Hotel Garage Fund	Ninth Street Garage Fund	Seventh Street Garage Fund	Total Parking Garage Fund
OPERATING REVENUES				
Parking garage revenues	$ 1,989,141	$ 1,935,394	$ 1,842,770	$ 5,767,305
Interest on loans and notes receivable	63	-	155,375	155,438
Rental income	-	187,200	33,333	220,533
Other income	8,843	-	-	8,843
Total operating revenues	1,998,047	2,122,594	2,031,478	6,152,119
OPERATING EXPENSES				
Depreciation and amortization	481,239	750,822	815,863	2,047,924
Parking garage operating expenses	598,874	604,688	457,318	1,660,880
Professional fees	31,325	31,146	46,479	108,950
Total operating expenses	1,111,438	1,386,656	1,319,660	3,817,754
Operating income	886,609	735,938	711,818	2,334,365
NON-OPERATING REVENUE (EXPENSE)				
Interest on cash and return on investments	3,203	32,283	27,742	63,228
Bond interest expense	(117,316)	-	(337,064)	(454,380)
Bond expense	(139,456)	-	(3,450)	(142,906)
Total non-operating revenue (expense)	(253,569)	32,283	(312,772)	(534,058)
Change in net position	633,040	768,221	399,046	1,800,307
Net position – beginning	9,172,349	30,797,673	27,400,064	67,370,086
Net position – ending	$ 9,805,389	$ 31,565,894	$ 27,799,110	$ 69,170,393

Missouri Development Finance Board
Combining Schedule of Cash Flows
Parking Garage Fund | *For Year Ended June 30, 2019*

	St. Louis Convention Center Hotel Garage Fund	Ninth Street Garage Fund	Seventh Street Garage Fund	Total Parking Garage Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 2,119,331	$ 2,089,636	$ 2,035,757	$ 6,244,724
Payments to suppliers	(706,045)	(608,553)	(651,999)	(1,966,597)
Net cash provided by operating activities	1,413,286	1,481,083	1,383,758	4,278,127
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Contributions to others	-	(250,000)	-	(250,000)
Interfund transfers	-	250,000	-	250,000
Net cash provided (used) by non-capital financing activities	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Bond principal paid	-	-	(3,348,000)	(3,348,000)
Bond interest and fees paid	(270,789)	-	(309,092)	(579,881)
Acquisition of buildings and equipment	(135,606)	(451,050)	(70,299)	(656,955)
Net cash used by capital and related financing activities	(406,395)	(451,050)	(3,727,391)	(4,584,836)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	-	(4,988,638)	-	(4,988,638)
Maturities of investments	-	4,057,942	1,997,303	6,055,245
Interest on cash and investments	-	115,773	76,385	192,158
Net cash provided (used) by investing activities	-	(814,923)	2,073,688	1,258,765
Net increase (decrease) in cash and cash equivalents	1,006,891	215,110	(269,945)	952,056
Cash and cash equivalents – beginning	3,282,398	2,005,629	1,913,159	7,201,186
Cash and cash equivalents – ending	$ 4,289,289	$ 2,220,739	$ 1,643,214	$ 8,153,242
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 894,850	$ 631,007	$ 688,825	$ 2,214,682
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expenses	527,702	790,505	816,974	2,135,181
(Increase) decrease in interfund receivables	(3,158)	-	-	(3,158)
(Increase) decrease in prepaid expenses and other assets	2,413	57,891	(88,707)	(28,403)
Increase (decrease) in accounts payable and other accrued liabilities	4,721	1,680	-	6,401
Increase (decrease) in unearned revenue	(13,242)	-	(33,334)	(46,576)
Total adjustments	518,436	850,076	694,933	2,063,445
Net cash provided by operating activities	$ 1,413,286	$ 1,481,083	$ 1,383,758	$ 4,278,127
Reconciliation of cash and cash equivalents to the statement of net position:				
Cash and cash equivalents	$ 2,914,289	$ 8,198,947	$ 2,142,254	$13,255,490
Restricted assets	1,375,000	-	500,000	1,875,000
Less: investments with original maturity of greater than 90 days	-	(5,978,208)	(999,040)	(6,977,248)
Total cash and cash equivalents	$ 4,289,289	$ 2,220,739	$ 1,643,214	$ 8,153,242

Missouri Development Finance Board
Combining Schedule of Cash Flows
Parking Garage Fund | *For Year Ended June 30, 2018*

	St. Louis Convention Center Hotel Garage Fund	Ninth Street Garage Fund	Seventh Street Garage Fund	Total Parking Garage Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 2,005,879	$ 2,122,597	$ 2,001,803	$ 6,130,276
Payments to suppliers	(625,609)	(680,903)	(664,992)	(1,971,504)
Net cash provided by operating activities	1,380,270	1,441,691	1,336,811	4,158,772
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Bond principal paid	(2,330,000)	-	(214,000)	(2,544,000)
Bond interest and fees paid	(256,772)	-	(341,272)	(598,044)
Acquisition of buildings and equipment	(506,165)	(268,025)	(5,615)	(779,805)
Net cash used by capital and related financing activities	(3,092,937)	(268,025)	(560,887)	(3,921,849)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of investments	-	(6,040,571)	(2,996,343)	(9,036,914)
Maturities of investments	1,000,000	993,058	-	1,993,058
Interest on cash and investments	5,400	20,881	11,213	37,494
Receipt of loan payments	15,552	-	-	15,552
Net cash provided (used) by investing activities	1,020,952	(5,026,632)	(2,985,130)	(6,990,810)
Net decrease in cash and cash equivalents	(691,715)	(3,852,966)	(2,209,206)	(6,753,887)
Cash and cash equivalents – beginning	3,974,113	5,858,595	4,122,365	13,955,073
Cash and cash equivalents – ending	$ 3,282,398	$ 2,005,629	$ 1,913,159	$ 7,201,186
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 886,609	$ 735,938	$ 711,818	$ 2,334,365
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expenses	481,239	750,822	851,863	2,047,924
(Increase) decrease in interfund receivables	18,657	-	-	18,657
(Increase) decrease in prepaid expenses and other assets	22,966	(45,519)	(144,493)	(167,046)
Increase (decrease) in accounts payable and other accrued liabilities	(18,376)	450	(13,044)	(30,970)
Increase (decrease) in unearned revenue	(10,825)	-	(33,333)	(44,158)
Total adjustments	493,661	705,753	624,993	1,824,407
Net cash provided by operating activities	$ 1,380,270	$ 1,441,691	$ 1,336,811	$ 4,158,772
Reconciliation of cash and cash equivalents to the statement of net position:				
Cash and cash equivalents	$ 1,907,398	$ 7,053,142	$ 4,409,502	$13,370,042
Restricted assets	1,375,00	-	500,000	1,875,000
Less: investments with original maturity of greater than 90 days	-	(5,047,513)	(2,996,343)	(8,043,856)
Total cash and cash equivalents	$ 3,282,398	$ 2,005,629	$ 1,913,159	$ 7,201,186

Missouri Development Finance Board
Combining Schedule of Net Position
Revolving Loan Fund | *June 30, 2019*

		MIDOC Fund		Small Business Loan Fund		Total Revolving Loan Fund
ASSETS						
Current assets:						
Current portion of loans and notes receivable	$	124,972	$	105,995	$	230,967
Accrued interest on investments		5,443		-		5,443
Accrued interest on loans and notes receivable		25,180		-		25,180
Total current assets		155,595		105,995		261,590
Noncurrent assets:						
Restricted assets – cash available to loan		1,079,428		1,584,220		2,663,648
Long-term portion of loans and notes receivable		1,354,854		274,392		1,629,246
Total noncurrent assets		2,434,282		1,858,612		4,292,894
Total assets		2,589,877		1,964,607		4,554,484
LIABILITIES						
Current liabilities:						
Accounts payable and other accrued liabilities		-		95		95
Total current liabilities		-		95		95
Total liabilities		-		95		95
NET POSITION						
Restricted						
Restricted for revolving loan funds		2,589,877		1,964,512		4,554,389
Total net position	$	2,589,877	$	1,964,512	$	4,554,389

Missouri Development Finance Board
Combining Schedule of Net Position
Revolving Loan Fund | *June 30, 2018*

	MIDOC Fund	Small Business Loan Fund	Total Revolving Loan Fund
ASSETS			
Current assets:			
Current portion of loans and notes receivable	$ 114,706	$ 120,848	$ 235,554
Accrued interest on investments	5,443	-	5,443
Accrued interest on loans and notes receivable	12,622	-	12,622
Total current assets	132,771	120,848	253,619
Noncurrent assets:			
Restricted assets – cash available to loan	1,579,110	1,393,604	2,972,714
Long-term portion of loans and notes receivable	1,317,449	439,803	1,757,252
Total noncurrent assets	2,896,559	1,833,407	4,729,966
Total assets	3,029,330	1,954,255	4,983,585
LIABILITIES			
Current liabilities:			
Accounts payable and other accrued liabilities	750	155	905
Total current liabilities	750	155	905
Total liabilities	750	155	905
NET POSITION			
Restricted			
Restricted for revolving loan funds	3,028,580	1,954,100	4,982,680
Total net position	$ 3,028,580	$ 1,954,100	$ 4,982,680

Missouri Development Finance Board
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Revolving Loan Fund | *For the Year Ended June 30, 2019*

	MIDOC Fund	Small Business Loan Fund	Total Revolving Loan Fund
OPERATING REVENUES:			
Interest income on loans and notes receivable	$ 46,184	$ 6,177	$ 52,361
Other income	4,345	3,399	7,744
Total operating revenues	50,529	9,576	60,105
OPERATING EXPENSES:			
Bad debt expense	-	5,680	5,680
Professional fees	-	1,044	1,044
Total operating expenses	-	6,724	6,724
Operating income	50,529	2,852	53,381
NON-OPERATING REVENUE (EXPENSE):			
Interest on cash and return on investments	25,763	7,560	33,323
Contributions to others	(514,995)	-	(514,995)
Total non-operating revenue (expense)	(489,232)	7,560	(481,672)
Change in net position	(438,703)	10,412	(428,291)
Total net position – beginning	3,028,580	1,954,100	4,982,680
Total net position – ending	$ 2,589,877	$ 1,964,512	$ 4,554,389

Missouri Development Finance Board

Combining Schedule of Revenues, Expenses, and Changes in Net Position

Revolving Loan Fund | *For the Year Ended June 30, 2018*

	MIDOC Fund	Small Business Loan Fund	Total Revolving Loan Fund
OPERATING REVENUES:			
Interest income on loans and notes receivable	$ 41,166	$ 10,109	$ 51,275
Other income	3,361	2,892	6,253
Total operating revenues	44,527	13,001	57,528
OPERATING EXPENSES:			
Professional fees	-	1,031	1,031
Office expenses	22	141	163
Total operating expenses	22	1,172	1,194
Operating income	44,505	11,829	56,334
NON-OPERATING REVENUE:			
Interest on cash and return on investments	8,606	4,041	12,647
Total non-operating revenue	8,606	4,041	12,647
Change in net position	53,111	15,870	68,981
Total net position – beginning	2,975,469	1,938,230	4,913,699
Total net position – ending	$ 3,028,580	$ 1,954,100	$ 4,982,680

Missouri Development Finance Board
Combining Schedule of Cash Flows
Revolving Loan Fund | *For the Year Ended June 30, 2019*

	MIDOC Fund	Small Business Loan Fund	Total Revolving Loan Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 37,971	$ 9,576	$ 47,547
Payments to suppliers	(750)	(1,104)	(1,854)
Net cash provided by operating activities	37,221	8,472	45,693
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Contributions to others	(514,995)	-	(514,995)
Net cash used by non-capital financing activities	(514,995)	-	(514,995)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on cash and investments	25,764	7,560	33,324
Disbursement of loan proceeds	(150,000)	(50,000)	(200,000)
Receipt of loan payments	102,328	224,584	326,912
Net cash provided (used) by investing activities	(21,908)	182,144	160,236
Net increase (decrease) in cash and cash equivalents	(499,682)	190,616	(309,066)
Cash and cash equivalents – beginning	569,670	1,393,604	1,963,274
Cash and cash equivalents – ending	$ 69,988	$ 1,584,220	$ 1,654,208
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 50,529	$ 2,852	$ 53,381
Adjustments to reconcile operating income to net cash provided by operating activities:			
Adjustment to allowance for bad debt	-	5,680	5,680
(Increase) decrease in accrued interest on loans and notes receivable	(12,558)	-	(12,558)
Increase (decrease) in accounts payable and other accrued liabilities	(750)	(60)	(810)
Total adjustments	(13,308)	5,620	(7,688)
Net cash provided by operating activities	$ 37,221	$ 8,472	$ 45,693
Reconciliation of cash and cash equivalents to the statement of net position:			
Restricted assets – MIDOC program funds	$ 1,079,428	$ -	$ 1,079,428
Less: investments with original maturity of greater than 90 days	(1,009,440)	-	(1,009,440)
Restricted assets – small business program funds	-	1,584,220	1,584,220
Total cash and cash equivalents	$ 69,988	$ 1,584,220	$ 1,654,208
NONCASH TRANSACTIONS			
Change in fair value of non-cash equivalent investments	$ (11,227)	$ -	$ (11,227)

Missouri Development Finance Board
Combining Schedule of Cash Flows
Revolving Loan Fund | *For the Year Ended June 30, 2018*

	MIDOC Fund	Small Business Loan Fund	Total Revolving Loan Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 43,825	$ 13,001	$ 56,826
Payments to suppliers	728	(1,097)	(369)
Net cash provided by operating activities	44,553	11,904	56,457
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on cash and investments	8,606	4,041	12,647
Disbursement of loan proceeds	(300,00)	(96,307)	(396,307)
Receipt of loan payments	113,024	182,021	295,045
Net cash provided (used) by investing activities	(178,370)	89,755	(88,615)
Net increase (decrease) in cash and cash equivalents	(133,817)	101,659	(32,158)
Cash and cash equivalents – beginning	703,487	1,291,945	1,995,432
Cash and cash equivalents – ending	$ 569,670	$ 1,393,604	$ 1,963,274
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 44,505	$ 11,829	$ 56,334
Adjustments to reconcile operating income to net cash provided by operating activities:			
(Increase) decrease in accrued interest on loans and notes receivable	(702)	-	(702)
Increase (decrease) in accounts payable and other accrued liabilities	750	75	825
Total adjustments	48	75	123
Net cash provided by operating activities	$ 44,553	$ 11,904	$ 56,457
Reconciliation of cash and cash equivalents to the statement of net assets:			
Restricted assets – MIDOC program funds	$ 1,579,110	$ -	$ 1,579,110
Less: investments with original maturity of greater than 90 days	(1,009,440)	-	(1,009,440)
Restricted assets – small business program funds	-	1,393,604	1,393,604
Total cash and cash equivalents	$ 569,670	$ 1,393,604	$ 1,963,274
NONCASH TRANSACTIONS			
Change in fair value of non-cash equivalent investments	$ (21,753)	$ -	$ (21,753)

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STATISTICAL SECTION

Missouri Development Finance Board
Comprehensive Annual Financial Report

For the Fiscal Years Ended June 30, 2019 and 2018

Statistical Section (Unaudited)

This part of the Board's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Board's overall financial health. The Board is a discretely presented component unit of the State of Missouri as defined by Government Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*. Based on GASB No. 61, some of the accompanying statistical section segments will include references to the State of Missouri. Such segments will be noted as such. All other information is to be deemed as attributable to the Board, and does not reflect the financial position and results of operations of the State.

Financial Trends – These schedules contain trend information to help the reader understand how the Board's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the factors affecting the Board's ability to generate its own source income.

Debt Capacity – These schedules present information to help the reader assess the affordability of the Board's current levels of outstanding debt and the Board's ability to issue additional debt in the future.

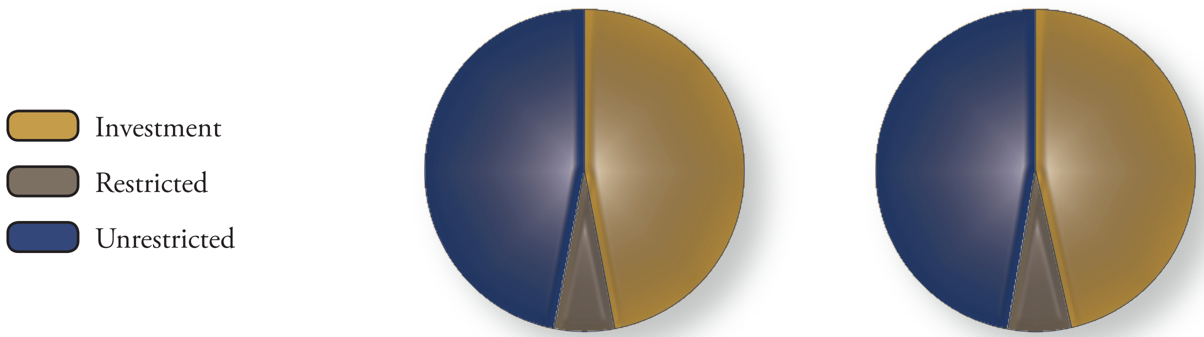
Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place. Due to the fact that the Board was established to serve the State of Missouri, and is a component unit as defined by GASB Statement No. 61, demographic and economic information for the State of Missouri will be presented in this section.

Operating Information – These schedules contain information about the Board's operations and resources to help the reader understand how the Boards' financial information relates to the services the Board provides and the activities it performs.

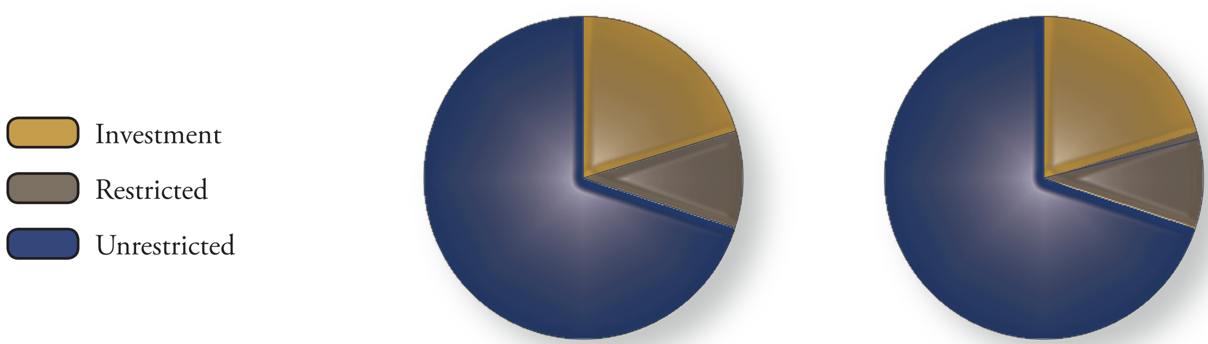
Missouri Development Finance Board

Schedule of Net Position By Component | *Fiscal Years 2010 to 2019*

	2019		2018	
Net investment in capital assets	$ 50,681,734	47.18%	$ 48,809,955	46.47%
Restricted	6,429,389	5.99%	6,857,680	6.53%
Unrestricted	50,310,431	46.83%	49,377,331	47.01%
	$ 107,421,554	100.00%	$ 105,044,966	100.00%

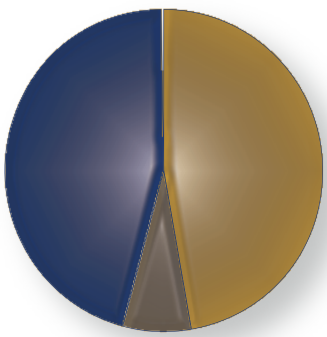


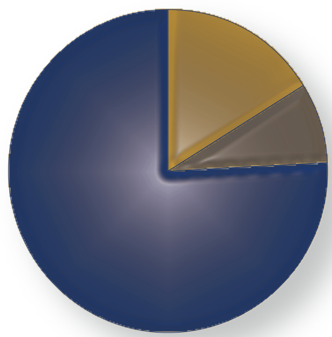
	2014		2013	
Net investment in capital assets	$ 17,753,127	20.38%	$ 17,801,907	21.30%
Restricted	8,407,066	9.65%	8,069,284	9.66%
Unrestricted	60,932,952	69.96%	57,703,168	69.04%
	$ 87,093,145	100.00%	$ 83,574,359	100.00%

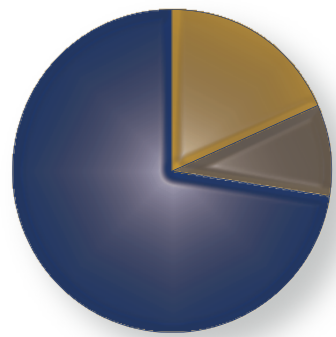


Note: Fiscal years 2010-2011 amounts have been restated to include the SSGPPC component unit.
Note: Fiscal years 2010-2012 unrestricted and total amounts have been restated due to the implementation of GASB No. 65.

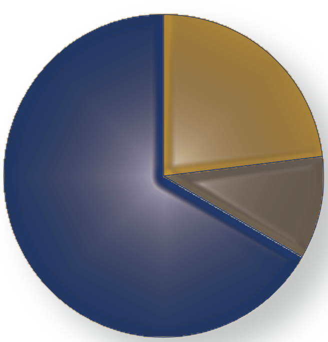
	2017			2016			2015	
$	47,533,205	47.45%	$	14,607,854	16.17%	$	16,031,157	18.43%
	6,788,699	6.78%		7,394,180	8.19%		7,936,899	9.12%
	45,862,953	45.78%		68,327,150	75.64%		63,036,142	72.45%
$	100,184,857	100.00%	$	90,329,184	100.00%	$	87,004,198	100.00%

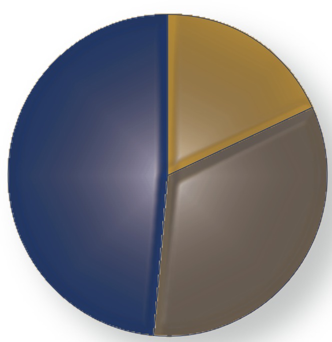


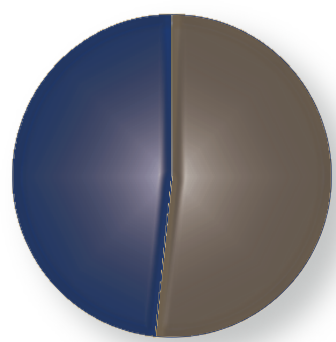




	2012			2011			2010	
$	19,499,463	23.20%	$	15,196,313	18.17%	$	70,973	0.08%
	8,668,115	10.32%		27,868,870	33.32%		45,267,090	51.77%
	55,847,527	66.47%		40,567,366	48.51%		42,097,604	48.15%
$	84,015,105	100.00%	$	83,632,549	100.00%	$	87,435,667	100.00%







Missouri Development Finance Board
Schedule of Expenses by Function | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015
Operating expenses					
Personnel	$ 949,012	$ 892,203	$ 833,768	$ 700,913	$ 726,121
Professional fees	169,494	214,916	480,823	274,227	232,300
Travel	5,590	28,047	39,251	36,361	38,662
Supplies and other	133,875	125,778	154,193	129,046	156,178
Depreciation and amortization	2,135,796	2,048,351	1,979,420	1,946,991	1,927,783
Parking garage operating expense	1,903,096	1,660,880	2,536,426	1,585,903	1,690,374
DREAM expense	-	-	-	256,040	326,289
Bad debt and miscellaneous	56,876[1]	61,414	60,394	85,320	160,133
License and other payments	909,070	908,746	984,680	705,540	705,655
Total operating expenses	6,262,809	5,940,335	7,068,955	5,720,341	5,963,495
Non-operating expenses					
Interest and bond expense	581,179	597,286	970,826	971,685	701,838
Research and development expense	-	-	-	-	-
Contributions to others	779,445	-	14,450	-	1,850,000
Total non-operating expenses	1,360,624	597,286	985,276	971,685	2,551,838
Total expenses	$ 7,623,433	$ 6,537,621	$ 8,054,231	$ 6,692,026	$ 8,515,333

	2014	2013	2012	2011	2010
Operating expenses					
Personnel	$ 784,481	$ 806,177	$ 811,731	$ 863,310	$ 809,289
Professional fees	195,910	155,546	238,806	291,826	233,485
Travel	29,058	37,872	36,678	47,448	59,337
Supplies and other	138,550	140,480	116,711	118,594	116,152
Depreciation and amortization	1,936,745	1,941,705	1,936,144	1,490,679	1,231,998
Parking garage operating expense	1,653,820	1,458,828	1,325,879	1,174,816	1,020,824
DREAM expense	419,632	603,238	1,158,332	1,272,301	1,663,518
Bad debt and miscellaneous	115,430[2]	120,642[3]	101,992[4]	174,466[5]	97,642[6]
License and other payments	-	-	-	-	-
Total operating expenses	5,273,626	5,264,488	5,726,273	5,433,440	5,232,245
Non-operating expenses					
Interest and bond expense	712,795	750,010	1,227,098	1,005,485	705,815
Research and development expense	-	-	-	-	35,350
Contributions to others	14,400	5,014,400	-	5,000,000	-
Total non-operating expenses	727,195	5,764,410	1,227,098	6,005,485	741,165
Total expenses	$ 6,000,821	$ 11,028,898	$ 6,953,371	$ 11,438,925	$ 5,973,410

1 *Includes bad debt expense of $5,680*
2 *Includes bad debt expense of $21,912*
3 *Includes bad debt expense of $48,570*
4 *Includes bad debt expense of $31,341*
5 *Includes bad debt expense of $19,036*
6 *Includes bad debt expense of $111,013*

Note: Fiscal years 2010-2011 amounts have been restated to include the SSGPPC component unit.
Note: Fiscal years 2010-2012 unrestricted and total amounts have been restated due to the implementation of GASB No. 65.

Missouri Development Finance Board
Schedule of Expenses by Identifiable Activity | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015
Operating expenses					
Program administration	$ 1,257,971	$ 1,260,944	$ 1,508,035	$ 1,396,587	$ 1,479,550
Parking garage operating expense	1,903,096	1,660,880	2,536,426	1,585,903	1,690,374
Depreciation and amortization	2,135,796	2,048,351	1,979,420	1,946,991	1,927,783
Bad debt and miscellaneous	56,876[1]	61,414	60,394	85,320	160,133
License and other payments	909,070	908,746	984,680	705,540	705,655
Total operating expenses	6,262,809	5,940,335	7,068,955	5,720,341	5,963,495
Non-operating expenses					
Interest and bond expense	581,179	597,286	970,826	971,685	701,838
Research and development expense	-	-	-	-	-
Contributions to others	779,445	-	14,450	-	1,850,000
Total non-operating expenses	1,360,624	597,286	985,276	971,685	2,551,838
Total expenses	$ 7,623,433	$ 6,537,621	$ 8,054,231	$ 6,692,026	$ 8,515,333

	2014	2013	2012	2011	2010
Operating expenses					
Program administration	$ 1,567,631	$ 1,743,313	$ 2,362,258	$ 2,593,479	$ 2,881,781
Parking garage operating expense	1,653,820	1,458,828	1,325,879	1,174,816	1,020,824
Depreciation and amortization	1,936,745	1,941,705	1,936,144	1,490,679	1,231,998
Bad debt and miscellaneous	115,430[2]	120,642[3]	101,992[4]	174,466[5]	97,642[6]
License and other payments	-	-	-	-	-
Total operating expenses	5,273,626	5,264,488	5,726,273	5,433,440	5,232,245
Non-operating expenses					
Interest and bond expense	712,795	750,010	1,227,098	1,005,485	705,815
Research and development expense	-	-	-	-	35,350
Contributions to others	14,400	5,014,400	-	5,000,000	-
Total non-operating expenses	727,195	5,764,410	1,227,098	6,005,485	741,165
Total expenses	$ 6,000,821	$ 11,028,898	$ 6,953,371	$ 11,438,925	$ 5,973,410

1 *Includes bad debt expense of $5,680*
2 *Includes bad debt expense of $21,912*
3 *Includes bad debt expense of $48,570*
4 *Includes bad debt expense of $31,341*
5 *Includes bad debt expense of $19,036*
6 *Includes bad debt expense of $111,013*

Note: Fiscal years 2010-2011 amounts have been restated to include the SSGPPC component unit.
Note: Fiscal years 2010-2012 unrestricted and total amounts have been restated due to the implementation of GASB No. 65.

Missouri Development Finance Board
Schedule of Revenues by Source | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015
Operating revenues					
Participation fees – Private Activity Bonds	$ -	$ -	$ -	$ 37,490	$ 50,000
Participation fees – Public Activity Bonds	-	3,630	29,313	78,679	89,471
Participation fees – Notes Receivable	-	-	13,000	5,000	-
Participation fees – Tax Credits	471,697	584,642	345,764	1,210,854	723,099
Participation fees – BUILD Missouri	881,234	975,898	594,892	896,984	612,698
Participation fees – MODESA	-	-	-	-	-
Interest income on loans and notes receivable	1,011,618	918,271	864,724	561,999	559,810
Rental income	220,533	220,533	1,085,504	233,159	233,159
Contractual income	-	-	-	-	11,250
DREAM revenues	-	-	-	-	5,698
Parking garage revenues	5,871,925	5,767,305	5,549,313	5,277,053	5,175,893
Other income	12,907	270,730	2,505,571	326,652	705,836
Sales tax revenues	908,721	908,385	954,680	705,540	705,655
Total operating revenues	9,378,635	9,649,394	11,942,761	9,333,410	8,872,569
Non-operating revenues					
Interest on cash and investments	621,386	256,421	98,866	83,603	273,467
Other non-operating income	-	1,491,915	-	600,000	-
Total non-operating revenues	621,386	1,748,336	98,866	683,603	273,467
Total revenues	$ 10,000,021	$ 11,397,730	$ 12,041,627	$ 10,017,013	$ 9,146,036

	2014	2013	2012	2011	2010
Operating revenues					
Participation fees – Private Activity Bonds	$ -	$ 50,000	$ 36,175	$ 47,500	$ 115,000
Participation fees – Public Activity Bonds	147,608	428,732	226,951	75,000	112,122
Participation fees – Notes Receivable	-	-	-	-	5,000
Participation fees – Tax Credits	2,218,088	554,792	889,337	1,227,639	2,787,360
Participation fees – BUILD Missouri	743,302	3,724,025	479,239	670,288	855,547
Participation fees – MODESA	-	25,000	-	-	-
Interest income on loans and notes receivable	572,347	570,472	593,558	932,215	289,535
Rental income	233,159	233,159	233,060	215,918	169,795
Contractual income	74,444	70,000	70,000	70,000	69,782
DREAM revenues	68,663	271,426	554,527	826,170	924,639
Parking garage revenues	4,973,252	4,372,019	3,829,013	3,106,486	2,599,226
Other income	274,207	260,817	355,320	239,999	234,503
Sales tax revenues	-	-	-	-	-
Total operating revenues	9,305,070	10,560,442	7,267,180	7,411,215	8,162,509
Non-operating revenues					
Interest on cash and investments	214,537	27,710	68,747	224,592	313,345
Other non-operating income	-	-	-	-	-
Total non-operating revenues	214,537	27,710	68,747	224,592	313,345
Total revenues	$ 9,519,607	$ 10,588,152	$ 7,335,927	$ 7,635,807	$ 8,475,854

Note: Fiscal years 2010-2011 amounts have been restated to include the SSGPPC component unit.
Note: Fiscal years 2010-2012 unrestricted and total amounts have been restated due to the implementation of GASB No. 65.

Missouri Development Finance Board
Schedule of Other Changes in Net Position | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015
Income (loss) before other changes in net position	$ 2,376,588	$ 4,860,109	$ 3,987,396	$ 3,324,987	$ 630,703
Contributed capital from dissolution of component unit	-	-	5,868,276	-	-
Total change in net position	$ 2,376,588	$ 4,860,109	$ 9,855,672	$ 3,324,987	$ 630,703

	2014	2013	2012	2011	2010
Income (loss) before other changes in net position	$ 3,518,786	$ (440,746)	$ 382,556	$ (3,803,118)	$ 2,502,444
Contributed revenue	-	-	-	-	10,000,000
Total change in net position	$ 3,518,786	$ (440,746)	$ 382,556	$ (3,803,118)	$12,502,444

Missouri Development Finance Board
Parking Garage Space and Rate Information – Principal Parking Garage Lessees | *Fiscal Years 2010 to 2019*

	2019		2018		2017		2016	
	# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate
St. Louis Convention Center Hotel Garage Leases *(880-space parking garage)*								
800 Washington, LLC previously Renaissance Grand Hotel*	275	$ 227	275	$ 227	275	$ 227	275	$ 227
Merchandise Mart Equity LLC	20	110	20	105	20	105	20	105
Strategic STL Lofts, LLC, previously STL Loft Partners, LLC, and Roberts Old School House Lofts, LP – unreserved spaces	65	130	65	130	65	130	65	130
Lennox Suites, LLC	50	167	50	167	50	167	50	37
	410		410		410		410	
Ninth Street Garage Leases *(1,050-space parking garage)*								
Court of Appeals – reserved spaces	13	$ 125	13	$ 125	13	$ 125	13	$ 125
Court of Appeals – unreserved spaces	20	110	20	110	20	105	20	105
Webster University – unreserved spaces	5	110	30	110	30	105	30	105
Cas-Tex-Neda, LLC/Frisco Associates – unreserved spaces	100	110	100	110	100	105	100	105
Pyramid Construction assigned to Paul Brown Developer, LP – reserved spaces	75	130	75	130	75	130	75	130
Roberts Old School House Lofts, LP – reserved spaces	-	n/a	-	-	-	n/a	-	n/a
Locust Street Lofts TWG, LLC – unreserved spaces	10	110	10	110	-	n/a	-	n/a
913 Locust (Talley Properties, LLC) – unreserved spaces	-	n/a	-	-	-	n/a	-	n/a
917 Locust (Roberts Brothers Prop.) – reserved spaces	-	n/a	-	-	-	n/a	-	n/a
917 Locust (Roberts Brothers Prop.) – unreserved spaces	-	n/a	-	-	-	n/a	-	n/a
Syndicate Apartments – unreserved spaces	28	110	28	110	28	105	28	105
Syndicate Retail – unreserved spaces	42	110	42	110	42	105	42	105
STL Tower Partners LLC/Strategic STL Tower Partners – reserved spaces	100	130	100	130	100	130	100	130
STL Tower Partners LLC/Strategic STL Tower Partners – unreserved spaces	50	110	50	110	50	115	50	115
	443		468		458		458	
Seventh Street Garage Leases *(750-space parking garage)*								
600 Tower, LLC – reserved spaces	89	$ 175	89	$ 170	86	$ 165	125	$ 165
600 Tower, LLC – unreserved spaces	386	150	386	140	390	140	386	140
US Bank, NA – unreserved spaces	400	135	400	135	400	130	400	130
	875		875		876		875	
	1,728		1,753		1,744		1,743	

St. Louis Convention Center Hotel Garage began operations August 2002.
Ninth Street Garage began operations February 2007.
Seventh Street Garage began operations February 2011.

* *Lease is written based on a minimum amount to be paid per fiscal year. New license agreement was signed May 2013 and is based on minimum monthly payments.*

Monthly rate and # of leased spaces are estimated as of June 30 of fiscal year.

2015		2014		2013		2012		2011		2010	
# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate	# of Leased Spaces	Monthly Rate
275	$ 167	275	$ 227	375	$ 123	375	$ 123	375	$ 123	375	$ 123
12	105	18	105	20	105	20	105	20	105	20	105
65	130	65	130	40	125	50	125	32	125	75	125
-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
352		358		435		445		427		470	
13	$ 115	13	$ 115	13	$ 115	13	$ 115	13	$ 115	13	$ 105
20	99	20	99	20	99	20	99	20	99	20	90
30	105	30	105	30	100	30	100	30	100	30	100
100	105	100	105	100	100	100	100	100	100	100	100
75	130	75	130	75	125	75	125	75	125	75	125
-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	20	100
-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
-	n/a	-	n/a	-	n/a	-	n/a	5	100	5	100
-	n/a	-	n/a	-	n/a	-	n/a	26	125	26	125
-	n/a	-	n/a	-	n/a	-	n/a	15	100	15	100
28	105	28	105	28	100	28	100	28	100	28	100
42	105	42	105	42	100	42	100	42	100	42	100
100	130	100	130	-	n/a	-	n/a	-	n/a	-	n/a
50	115	50	115	-	n/a	-	n/a	-	n/a	-	n/a
458		458		308		308		354		374	
89	$ 165	85	$ 160	89	$ 160	85	$ 155	85	$ 155		
386	140	380	135	293	130	230	130	170	130		
400	130	400	135	400	125	400	125	400	125		
875		865		782		715		655			
1,685		1,681		1,525		1,468		1,436		844	

Missouri Development Finance Board
Parking Garage Revenues – Principal Parking Garage Lessees | *Fiscal Years 2019 and 2010*

	2019	% of Actual Parking Revenue	2010	% of Actual Parking Revenue
St. Louis Convention Center Hotel Garage				
800 Washington LLC/Renaissance Grand Hotel	$ 750,000	13%	$ 554,282	21%
Merchandise Mart	25,000	0%	25,000	1%
Strategic STL Lofts LLC/STL Loft Partners, LLC	101,400	2%	84,750	3%
Lennox Suites, LLC	100,000	2%	-	0%
	976,400	17%	664,032	26%
Ninth Street Garage				
Court of Appeals	45,900	1%	37,980	1%
Webster University	6,600	0%	32,400	1%
Cas-Tex-Neda, LLC/Frisco Associates	132,000	2%	108,000	4%
Paul Brown Developer, LP	117,000	2%	112,500	4%
Roberts Lofts	-	0%	21,600	1%
Locust Street Lofts TWG, LLC	13,200	0%	-	0%
913 Locust	-	0%	5,400	0%
917 Locust	-	0%	55,200	2%
Syndicate Apartments	36,960	1%	21,600	1%
Syndicate Retail	55,440	1%	10,800	0%
STL Tower Partners, LLC	222,000	4%	-	0%
	629,100	11%	405,480	16%
Seventh Street Garage				
600 Tower	881,700	15%	-	0%
US Bank, NA	648,000	11%	-	0%
	1,529,700	26%	-	0%
Total Base	$ 3,135,200	53%	$ 1,069,512	41%
Actual Parking Garage Revenue	$ 5,871,925		$ 2,599,226	

Missouri Development Finance Board
Pledged Revenue Coverage by Net Revenue Available |
Fiscal Years 2010 to 2019

	2019	2018	2017	2016	2015
Total operating and non-operating revenues	$ 10,000,021	$ 11,397,730	$ 12,041,627	$ 10,017,013	$ 9,146,036
Total operating and non-operating expenses	7,623,433	6,537,621	7,099,551	6,692,026	8,515,333
Net revenue available	$ 2,376,588	$ 4,860,109	$ 4,942,076	$ 3,324,987	$ 630,703
Debt service					
Principal	$ 3,348,000	$ 2,544,000	$ 2,359,286	$ 195,000	$ 189,000
Interest[1]	462,213	454,380	680,073	684,452	409,933
Bond expenses	118,966	142,906	290,753	287,233	291,905
Total debt service	$ 3,929,179	$ 3,141,286	$ 3,330,112	$ 1,166,685	$ 890,838
Debt service coverage	0.60	1.55	1.20	2.85	0.71

	2014	2013	2012	2011	2010
Total operating and non-operating revenues	$ 9,519,607	$ 10,588,152	$ 7,335,927	$ 7,635,807	$ 8,475,854
Total operating and non-operating expenses	6,000,821	11,028,898	6,953,371	11,438,925	5,973,410
Net revenue available	$ 3,518,786	$ (440,746)	$ 382,556	$ (3,803,118)	$ 2,502,444
Debt service					
Principal	$ 1,880,000	$ 172,000	$ 15,014,000	$ 255,000	$ 245,000
Interest[1]	424,743	429,760	739,314	595,190	157,074
Bond expenses	288,052	320,250	487,784	410,295	548,741
Total debt service	$ 2,592,795	$ 922,010	$ 16,241,098	$ 1,260,485	$ 950,815
Debt service coverage	1.36	(0.48)	0.02	(3.02)	2.63

[1] *Interest does not include capitalized interest paid from bond proceeds.*

Note: Fiscal years 2010-2011 amounts have been restated to include the SSGPPC component unit.
Note: Fiscal years 2010-2012 unrestricted and total amounts have been restated due to the implementation of GASB No. 65.

Missouri Development Finance Board
Pledged Revenue Coverage by Parking Capacity | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015
Garages					
Total number of operational garages	3	3	3	3	3
Parking capacity per year[1]	978,200	978,200	978,200	978,200	978,200
Total debt outstanding	$ 13,804,000	$ 17,152,000	$ 19,696,000	$ 51,740,934	$ 51,935,934
Debt service					
Principal	$ 3,348,000	$ 2,544,000	$ 2,359,286	$ 195,000	$ 189,000
Interest[2]	462,213	454,380	680,073	684,452	409,933
Bond expense	118,966	142,906	290,753	287,233	291,905
Total debt service	$ 3,929,179	$ 3,141,286	$ 3,330,112	$ 1,166,685	$ 890,838
Daily required revenue per space to cover annual debt service	4.02	3.21	3.40	1.19	0.91

	2014	2013	2012	2011	2010
Garages					
Total number of operational garages	3	3	3	3	2
Parking capacity per year[1]	978,200	978,200	978,200	978,200	704,450
Total debt outstanding	$ 52,124,934	$ 54,004,934	$ 54,176,934	$ 69,190,934	$ 69,445,934
Debt service					
Principal	$ 1,880,000	$ 172,000	$ 15,014,000	$ 255,000	$ 245,000
Interest[2]	424,743	429,760	739,314	595,190	157,074
Bond expense	288,052	320,250	487,784	410,295	548,741
Total debt service	$ 2,592,795	$ 922,010	$ 16,241,098	$ 1,260,485	$ 950,815
Daily required revenue per space to cover annual debt service	2.65	0.94	16.60	1.29	1.35

[1] *Calculated as total number of spaces x 365 days*

[2] *Interest does not include capitalized interest paid from bond proceeds*

Note: Fiscal years 2010-2011 amounts have been restated to include the SSGPPC component unit.
Note: Fiscal years 2010-2012 unrestricted and total amounts have been restated due to the implementation of GASB No. 65.

Missouri Development Finance Board
Outstanding Debt by Type | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015
Bond debt					
Ninth Street Garage	$ -	$ -	$ -	$ -	$ -
Seventh Street Garage	4,484,000	7,832,000	8,046,000	8,250,000	8,445,000
St. Louis Convention Center Hotel Garage	9,320,000	9,320,000	11,650,000	13,650,000	13,650,000
Total bond debt outstanding	13,804,000	17,152,000	19,696,000	21,900,000	22,095,000
Notes payable					
Seventh Street Garage	-	-	-	29,840,934	29,840,934
Total debt	$ 13,804,000	$ 17,152,000	$ 19,696,000	$ 51,740,934	$ 51,935,934
Debt per Parking Space[1]	$ 5,151	$ 6,400	$ 7,349	$ 19,306	$ 19,379

	2014	2013	2012	2011	2010
Bond debt					
Ninth Street Garage	$ -	$ -	$ -	$ 15,000,000	$ 15,255,000
Seventh Street Garage	8,634,000	8,814,000	8,986,000	9,000,000	9,000,000
St. Louis Convention Center Hotel Garage	13,650,000	15,350,000	15,350,000	15,350,000	15,350,000
Total bond debt outstanding	22,284,000	24,164,000	24,336,000	39,350,000	39,605,000
Notes payable					
Seventh Street Garage	29,840,934	29,840,934	29,840,934	29,840,934	29,840,934
Total debt	$ 52,124,934	$ 54,004,934	$ 54,176,934	$ 69,190,934	$ 69,445,934
Debt per Parking Space[1]	$ 19,450	$ 20,151	$ 20,215	$ 25,818	$ 35,982

[1] This ratio was calculated using capital asset information for the calendar year. See Operating Information for capital asset data.

Missouri Development Finance Board
State of Missouri Demographic Statistics – Employment

(In Thousands Except Unemployment Rates Data)

Calendar Year	Civilian Labor Force	Total Employed	Total Unemployed	Missouri Unemployment Rate	U.S. Unemployment Rate
2018	3,092	2,985	107	3.5	4.2
2017	3,048	2,937	111	3.7	4.1
2016	3,111	2,970	141	4.5	4.9
2015	3,128	2,989	139	4.4	5.0
2014	3,058	2,880	178	6.6	6.5
2013	3,066	2,850	216	7.1	7.7
2012	2,993	2,785	207	6.9	8.1
2011	3,022	2,767	255	8.4	8.9
2010	3,039	2,756	283	9.3	9.6
2009	3,068	2,779	289	9.4	9.3
2008	3,050	2,870	180	5.9	5.8
2007	3,049	2,895	154	5.0	4.6
2006	3,036	2,889	147	4.8	4.6
2005	3,011	2,850	162	5.4	5.1
2004	2,988	2,816	172	5.8	5.5
2003	2,979	2,814	166	5.6	6.0
2002	2,986	2,830	156	5.2	5.8
2001	3,003	2,868	135	4.5	4.7
2000	2,973	5,875	98	3.3	4.0
1999	2,911	2,820	91	3.1	4.2
1998	2,911	2,795	116	4.0	4.5
1997	2,904	2,780	124	4.3	4.9
1996	2,869	2,735	135	4.7	5.4
1995	2,822	2,690	132	4.7	5.6

Data Source: Missouri Economic Research and Information Center,
U.S. Department of Labor, Bureau of Labor Statistics

Missouri Development Finance Board
State of Missouri Demographic Statistics – Personal Income

Calendar Year	Missouri Total Personal Income (In Millions)	U.S. Total Personal Income (In Millions)	Missouri Per Capita Personal Income	U.S. Per Capita Personal Income	Missouri % Change From Prior Year	U.S. % Change From Prior Year
2018	$ 285,704	$ 17,572,929	$ 46,635	$ 53,712	3.6	3.8
2017	266,920	16,413,550	43,661	50,392	2.1	3.1
2016	266,406	16,017,781	43,723	49,571	3.5	3.6
2015	260,100	15,324,109	42,752	47,669	3.0	4.4
2014	252,300	14,708,582	41,617	46,129	2.7	3.9
2013	241,145	14,081,242	39,897	44,543	1.8	2.6
2012	235,154	13,401,869	39,049	42,693	2.8	2.7
2011	228,218	12,949,905	37,969	41,560	4.3	4.4
2010	218,278	12,308,496	36,406	39,791	1.6	3.0
2009	213,630	11,852,715	35,837	38,637	-5.0	-5.6
2008	223,554	12,451,660	37,738	40,947	6.2	3.6
2007	209,131	11,900,562	35,521	39,506	4.4	4.7
2006	198,727	11,256,516	34,013	37,725	5.5	6.4
2005	186,753	10,476,669	32,253	35,452	2.7	4.6
2004	180,547	9,928,790	31,412	33,909	4.0	5.0
2003	172,529	9,369,072	30,218	32,295	3.2	2.6
2002	166,195	9,054,702	29,286	31,481	2.3	1.0
2001	161,545	8,878,830	28,637	31,157	2.7	2.8
2000	156,359	8,554,866	27,885	30,319	6.4	7.0
1999	145,826	7,906,131	26,218	28,333	3.1	3.9
1998	140,360	7,519,327	25,419	27,258	5.5	6.3
1997	132,117	6,994,388	24,104	25,654	5.3	5.0
1996	124,385	6,584,404	22,901	24,442	4.9	5.1
1995	117,418	6,194,245	21,832	23,262	3.8	4.3

Data Source: Missouri Economic Research and Information Center,
U.S. Department of Commerce, Bureau of Economic Analysis

Missouri Development Finance Board
State of Missouri Demographic Statistics – Population

Census Year	Population (In Thousands)	% Change	% of Total Urban	% of Total Rural
2010	5,989	7.0	70.44	29.56
2000	5,595	9.3	67.8	32.2
1990	5,117	4.1	68.7	31.3
1980	4,917	5.1	68.1	31.9
1970	4,677	8.3	70.1	29.9
1960	4,320	9.2	66.6	33.4
1950	3,955	4.5	61.5	38.5
1940	3,785	4.3	51.8	48.2
1930	3,629	6.6	51.2	48.8
1920	3,404	3.4	46.6	53.4
1910	3,293	6.0	42.3	57.7

Data Source: Missouri Economic Research and Information Center,
U.S. Department of Commerce, Bureau of the Census

Missouri Development Finance Board

State of Missouri Economic Data – Privately Owned Housing Units Authorized by Building Permits

Calendar Year	Number of Units	Valuation (In Thousands)
2018	16,875	$ 3,167,067
2017	17,852	3,267,283
2016	18,997	3,282,703
2015	18,344	3,146,410
2014	16,003	2,682,665
2013	13,708	2,234,221
2012	12,297	1,878,836
2011	9,242	1,425,673
2010	9,699	1,430,224
2009	10,056	1,433,735
2008	13,273	1,889,739
2007	21,525	3,128,424
2006	29,172	4,086,728
2005	33,114	4,702,016
2004	32,791	4,286,161
2003	29,309	3,596,524
2002	28,255	3,186,632
2001	24,739	2,750,047
2000	24,321	2,569,405
1999	26,840	2,739,418
1998	25,657	2,424,875
1997	25,156	2,265,005
1996	26,298	2,275,667
1995	24,282	2,032,503

Data Source: Missouri Economic Research and Information Center,
U.S. Department of Commerce, Bureau of the Census

Missouri Development Finance Board
State of Missouri – Major Employers 2018 and 2009

2018

Employer	Number of Employees	Percent of Total State Employment
1. State of Missouri	80,000-85,000	2.82%-3.00%
2. Wal-Mart Associates, Inc.	40,000+	1.41%
3. Mercy Health	20,000-25,000	0.70%-0.88%
4. The Washington University	15,000-20,000	0.53%-0.70%
5. U.S. Post Office	15,000-20,000	0.53%-0.70%
6. The Boeing Company	10,000-15,000	0.35%-0.53%
7. Cerner Corporation	10,000-15,000	0.35%-0.53%
8. Barnes-Jewish Hospital	10,000-15,000	0.35%-0.53%
9. Department of Veterans Affairs	10,000-15,000	0.35%-0.53%
10. Schnuck Markets	7,500-10,000	0.26%-0.35%
	217,500-260,000	7.65%-9.16%
Total Statewide Employment	2,824,847	

2009

Employer	Number of Employees	Percent of Total State Employment
1. Wal-Mart Associates, Inc.	25,000+	1.7%
2. University of Missouri	20,000-25,000	0.9%
3. U.S. Post Office	17,500-20,000	0.7%
4. The Washington University	10,000-15,000	0.6%
5. The Boeing Company	10,000-15,000	0.4%
6. U.S. Department of Defense	7,500-10,000	0.4%
7. Barnes-Jewish Hospital	7,500-10,000	0.3%
8. City of St. Louis	7,500-10,000	0.3%
9. Internal Revenue Service	7,500-10,000	0.3%
10. Missouri Department of Corrections	7,500-10,000	0.3%
	120,000-150,000	5.9%
Total Statewide Employment	2,742,566	

Data Source: Missouri Department of Economic Development/MERIC

Missouri Development Finance Board
Schedule of Employee Statistics | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Program Staff										
Full-time	3	3	3	3	3	4	4	4	5	5
Accounting Staff										
Full-time	2	2	2	2	2	2	3	3	3	3
Support Staff										
Full-time	2	2	2	2	2	2	2	2	2	2
Total Staff	7	7	7	7	7	8	9	9	10	10

Missouri Development Finance Board
Schedule of Projects Approved | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Bonds										
Private	-	-	-	2	1	-	1	1	4	2
Public	-	-	1	5	4	4	13	6	2	3
MIDOC	2	2	1	-	3	4	2	1	1	1
Tax Credits	5	10	6	6	6	9	3	6	2	3
BUILD	5	2	3	1	1	4	7	4	6	6
DREAM	-	-	-	-	-	-	-	-	-	5
Small Business Loans	1	2	-	1	-	2	-	13	6	48
	13	16	11	15	15	23	27	31	21	68

Missouri Development Finance Board
Schedule of Capital Assets | *Fiscal Years 2010 to 2019*

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Garages	3	3	3	3	3	3	3	3	3	2
Parking capacity	2,680	2,680	2,680	2,680	2,680	2,680	2,680	2,680	2,680	1,930

MDFB

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