

**313th MEETING OF THE  
STATE ENVIRONMENTAL IMPROVEMENT  
AND ENERGY RESOURCES AUTHORITY**

**Governor Office Building  
200 Madison Street, Room 315  
Jefferson City, Missouri**

**May 20, 2014  
10:00 a.m.**

1. Call to Order
2. Approval of Minutes
  - Approval of Minutes from the 312th Meeting of the Authority Held March 20, 2014, in Jefferson City, Missouri
3. State Revolving Fund Program
  - A. Resolution Authorizing the State Environmental Improvement and Energy Resources Authority to Enter Into an Omnibus Supplemental Indenture with Respect to the State Revolving Funds Programs Bonds, and Authorizing the Authority to Take Certain Other Actions in Connection with the Actions Authorized by the Omnibus Supplemental Indenture
  - B. Other
4. Project Updates
5. Missouri Market Development Program
  - A. Program Update
  - B. Consideration of the Funding Recommendation for the EcoTec Surfaces, LLC, Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
  - C. Consideration of the Funding Recommendation for the QRS, Inc., Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
  - D. Consideration of the Funding Recommendation for the Avenue of Life, Inc., Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
  - E. Consideration of the Funding Recommendation for the EXT Inc., Project and Authorizing the Director or Her Designee to Enter Into an Agreement on Behalf of the Authority
  - F. Update on Lake Area Industries Project
6. Review of FY14 Third Quarter Financials
7. Other Business

- A. Opportunity for Public Comment (Limit of Four Minutes per Individual)
- B. Next Meeting Date
- C. Other

8. Adjournment of Open Meeting

The Authority may vote to close a portion of the meeting in conjunction with the discussion of litigation matters (including possible legal actions, causes of action, any confidential or privileged communications with its attorneys and the negotiation of items of a contract), real estate matters, personnel matters (including the hiring, firing, disciplining or promoting of personnel), or specification for competitive bidding pursuant to Section 610.021 (1), (3) or (11) RSMo.

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Members to be Present:	Andy Dalton, Chair Ryan Doyle, Vice-Chair LaRee DeFreece, Secretary Deron Cherry, Treasurer
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Staff to be Present:	Karen Massey, Director Joe Boland, Deputy Director Kristin Allan Tipton, Development Director Marcus Rowe, Administration and Project Manager Genny Eichelberger, Office Support Assistant
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Legal Counsel to be Present:	David Brown Lewis, Rice & Fingersh, L.C.
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State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #3A**  
**STATE REVOLVING FUND**

**Issue:**

The State Revolving Fund program has experienced several unanticipated prepayment requests in the last few years. This Omnibus Supplemental Indenture will allow the Authority and Missouri Dept. of Natural Resources (MDNR) to better manage remaining reserve funds and mitigate any potential negative impact to the Authority's underlying bonds that remain outstanding.

**Action Needed:**

Consideration of a Resolution Authorizing the State Environmental Improvement and Energy Resources Authority to enter into an Omnibus Supplemental Indenture with Respect to the State Revolving Funds Programs Bonds, and Authorizing the Authority to Take Certain Other Actions in Connection with the Actions Authorized by the Omnibus Supplemental Indenture.

**Staff Recommendation:**

Staff recommends the approval/adoption of the resolution authorizing the Omnibus Supplemental Indenture.

**Staff Contact:**

Joe Boland

**Background:**

Despite extremely low interest rates provided through the SRF program, the MDNR continues to receive requests to prepay SRF loans or underlying participant bonds. Historically, as each situation arises the Authority has brought to the Board a special supplemental indenture for the applicable series of bonds. In order to avoid this piecemeal response to prepayments, Authority Bond Counsel, Gilmore and Bell, proposed an omnibus supplemental indenture.

The omnibus supplemental indenture (OSI) serves as an amendment to each of the outstanding series of Authority bonds and would implement the following:

- Authorize the Trustee to establish separate accounts and subaccounts within the funds and accounts established under each Indenture or otherwise segregate moneys within the funds and accounts as the Trustee may deem necessary or convenient, or as the Trustee is instructed in writing by the Authority.

- Establish at the direction of the Authority, by an Officer's Certificate, a master reserve account to hold moneys re-allocated from a participant's reserve account.
- Authorize the Authority, by an Officer's Certificate, to direct the Trustee about the application of prepayment funds as necessary or convenient for the preservation of the current ratings on the Programs bonds and/or, in consultation with DNR, the efficient administration of the Programs.

JB:ge

Attachments

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

(STATE OF MISSOURI)

RESOLUTION AUTHORIZING THE STATE ENVIRONMENTAL IMPROVEMENT  
AND ENERGY RESOURCES AUTHORITY TO ENTER INTO AN OMNIBUS  
SUPPLEMENTAL INDENTURE WITH RESPECT TO THE STATE REVOLVING  
FUNDS PROGRAMS BONDS, AND AUTHORIZING THE AUTHORITY TO TAKE  
CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ACTIONS  
AUTHORIZED BY THE OMNIBUS SUPPLEMENTAL INDENTURE

WHEREAS, the State Environmental Improvement and Energy Resources Authority, a body corporate and politic and a governmental instrumentality of the State of Missouri (the "Authority") is authorized and empowered pursuant to the provisions of Sections 260.005 to 260.125, inclusive, and Appendix B(1), Revised Statutes of Missouri, as amended (the "Act"), to finance, acquire, construct and equip projects (as defined in the Act) for the purpose of preventing or reducing pollution or the disposal of solid waste or sewage and to provide for the furnishing of water facilities, to issue revenue bonds for the purpose of paying costs of such projects, and to refund its outstanding revenue bonds in whole or in part; and

WHEREAS, by resolutions adopted by the Authority on February 23, 1988, September 22, 1998 and July 31, 2009, the Authority has approved the development and implementation of the Missouri Leveraged State Water Pollution Control Revolving Fund Program (the "Clean Water SRF Program") and the Missouri Leveraged State Drinking Water Revolving Fund Program (the "Drinking Water SRF Program" and, collectively with the Clean Water SRF Program, the "SRF Programs") and has stated its intent to issue its bonds or notes to finance projects pursuant to the SRF Programs, said bonds or notes to be payable solely out of the revenues and receipts derived by the Authority in connection with such projects; and

WHEREAS, Section 8.1 of each of the Bond Indentures under which SRF Programs bonds have been issued authorizes the Authority and the applicable bond trustee to enter into indentures supplemental to the Indenture without the consent of, or notice to, any of the bondholders to cure any ambiguity or formal defect or omission; and

WHEREAS, the Authority, in consultation with the Missouri Department of Natural Resources, desires to have the flexibility to take actions which are necessary or convenient to provide for the efficient accounting of funds, to assure debt service coverage for Bonds is maintained, to assure that the credit ratings on applicable Bonds are not adversely affected by the redemption of bonds of Public Entities and Participants, and to minimize the impact of the redemption of the bonds of Public Entities and Participants on the Clean Water SRF Program and the Drinking Water SRF Program, as applicable; and

WHEREAS, the Authority has determined to amend the SRF Programs bond indentures; and

WHEREAS, the Authority further finds and determines that it is necessary and desirable that the Authority enters into certain documents and take certain other actions in connection with the Authority's entry into the documents as herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section 1.      Authorization of Omnibus Supplemental Indenture.    The Authority is hereby authorized to enter into the document Omnibus Supplemental Indenture dated as of May 1, 2014, with UMB Bank, N.A. and UMB Bank & Trust, N.A. (the "Supplemental Indenture"), in substantially the form presented and reviewed by the Authority at this meeting (a copy of which Supplemental Indenture shall be filed with the records of the Authority), with such final terms and such changes therein as shall be approved by the officers of the Authority executing the Supplemental Indenture, such officers' signatures thereon being conclusive evidence of their approval thereof.

Section 2.      Execution of Supplemental Indenture.    The Chairman or the Vice Chairman is hereby authorized and directed to execute and deliver the Authority Documents for and on behalf of and as the act and deed of the Authority.

Section 3.      Further Authority.    The Authority shall, and the members, officers, directors, agents and employees of the Authority are hereby authorized and directed to, take such further action, and execute other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, including amendment of any federal tax certificate, and to carry out, comply with and perform the duties of the Authority with respect to the Supplemental Indenture.

Section 4.      Effective Date.    This Resolution shall take effect and be in full force from and after its adoption by the Authority.

ADOPTED this 20<sup>th</sup> day of May, 2014.

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Chairman of the Authority

(Seal)  
ATTEST:

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Secretary of the Authority

Attachment “B”

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OMNIBUS SUPPLEMENTAL INDENTURE

Dated as of May 1, 2014

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between

STATE ENVIRONMENTAL IMPROVEMENT AND  
ENERGY RESOURCES AUTHORITY

and

UMB BANK, N.A. and UMB BANK & TRUST, N.A.,  
as Trustees

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Relating to the

State Revolving Funds Programs of  
the State of Missouri

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## OMNIBUS SUPPLEMENTAL INDENTURE

THIS OMNIBUS SUPPLEMENTAL INDENTURE (this “Omnibus Supplemental Indenture”), made and entered into as of May 1, 2014, by and between the STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY, a body corporate and politic and a governmental instrumentality of the State of Missouri (the “Authority”), organized and existing by, under and pursuant to the laws of the State of Missouri, and UMB BANK & TRUST, N.A., a national banking association, and UMB BANK, N.A., a national banking association, each as Trustee (each a “Trustee”):

### RECITALS:

1. Pursuant to Sections 260.005 to 260.125, inclusive, and Appendix B(1), Revised Statutes of Missouri, as amended, thereto (the “Act”) the Authority has issued its bonds (“Bonds”) pursuant to the bond indentures (the “Indentures”) as described in Exhibit A to this Omnibus Supplemental Indenture, each between the Authority and the applicable Trustee, and the Missouri Leveraged State Water Pollution Control Revolving Fund Program (the “Clean Water SRF Program”) and the Missouri Leveraged State Drinking Water Revolving Fund Program (the “Drinking Water SRF Program”).

2. Section 8.1 of the Indentures authorize the Authority and the Trustee to enter into indentures supplemental to the Indentures without the consent of, or notice to, any of the bondholders to cure any ambiguity or formal defect or omission.

3. Section 8.3 of the Indentures provides that before the Authority and the Trustee enter into a supplemental indenture there shall have been delivered to the Authority, the Trustee, the Missouri Department of Natural Resources (“DNR”) and others, an opinion of Bond Counsel stating that such supplemental indenture is authorized or permitted by the applicable bond indenture and the Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exclusion of interest on the applicable bonds from gross income for federal income tax purposes.

4. Bonds of the participating public entities (each a “Public Entity” or “Participant” as described in the applicable Indenture) have been redeemed in whole or in part from time to time and the Authority expects additional redemptions to occur in the future.

5. The Authority, in consultation with the Missouri Department of Natural Resources, desires to have the flexibility to take actions which are necessary or convenient to provide for the efficient accounting of funds, to assure debt service coverage for Bonds is maintained, to assure that the credit ratings on applicable Bonds are not adversely affected by the redemption of bonds of Public Entities and Participants, and to minimize the impact of the redemption of the bonds of Public Entities and Participants on the Clean Water SRF Program and the Drinking Water SRF Program, as applicable.

6. The Authority has requested that the Indentures be amended and supplemented as set forth in this Omnibus Supplemental Indenture.

### AGREEMENT:

Section 1. Definitions. Section 1.1 of the Indentures is amended by inserting the following:

“Authorized Officer” means the Chairman, Vice Chairman, Secretary, Director or Deputy Director of the Authority.



“Master Reserve Account” means a Master Reserve Account established in the Reserve Fund by the Trustee upon receipt of an Officer’s Certificate.

“Officer’s Certificate” means a certificate signed by an Authorized Officer of the Authority.

Section 2. Accounts and Subaccounts. The Indenture section relating to the establishment of funds and accounts is amended by inserting the following at the end of that section:

The Trustee is authorized to establish separate accounts and subaccounts within the funds and accounts established under this Indenture or otherwise segregate moneys within the funds and accounts as the Trustee may deem necessary or convenient, or as the Trustee is instructed in writing by the Authority in an Officer’s Certificate.

Section 3. Reserve Fund. The Indenture section relating to the Reserve Fund is amended by inserting the following provision, as a paragraph to be designated upon creation of a Master Reserve Account, with changes as set forth in the Officer’s Certificate:

( ) The Master Reserve Account is established in the Reserve Fund upon the Trustee’s receipt of an Officer’s Certificate. On each Interest Payment Date or other date on which interest earnings on the Master Reserve Account are received, the Trustee will transfer the Master Reserve Account earnings received to the Debt Service Fund for application to debt service on the Bonds. The principal amount of the Master Reserve Account will be released in part on the dates and in the amounts as set forth in an Officer’s Certificate.

Section 4. Application of Funds. The Trustee will apply funds received upon the redemption of bonds of Public Entities and Participants as set forth in an Officer’s Certificate.

Section 5. Exhibits. The exhibits to an Indenture are amended by the delivery of an Officer’s Certificate with a replacement exhibit or replacement pages in connection with implementing any deposit to a Master Reserve Account and the application of funds received upon the redemption of bonds of Public Entities and Participants.

Section 6. Ratification of Indenture. The Indentures shall remain in full force and effect as amended, modified and supplemented by this Omnibus Supplemental Indenture.

Section 7. Effective Date. This Omnibus Supplemental Indenture shall be effective as of January 1, 2014.

IN WITNESS WHEREOF, the Authority and the Trustees have caused this Omnibus Supplemental Indenture to be executed on their behalf by their duly authorized representatives, all as of the date first above written.

STATE ENVIRONMENTAL IMPROVEMENT  
AND ENERGY RESOURCES AUTHORITY

By \_\_\_\_\_  
Chairman

UMB BANK & TRUST, N.A., as Trustee

By \_\_\_\_\_  
Vice President

UMB BANK, N.A., as Trustee

By \_\_\_\_\_  
Vice President

## **EXHIBIT A**

### **AMENDED BOND INDENTURES**

Bond Indenture dated as of June 1, 1992, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1992A;

Bond Indenture dated as of August 1, 1993, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1993A;

Bond Indenture dated as of August 1, 1994, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1994A;

Bond Indenture dated as of November 1, 1994; as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1994B;

Bond Indenture dated as of April 1, 1995, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – City of Kansas City Project) Series 1995B;

Bond Indenture dated as of June 1, 1995, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – Multiple Participant Series) Series 1995C and the Capital Appreciation Water Pollution Control Revenue Bonds (State Revolving Fund Program – City of Cape Girardeau Project) Series 1995D;

Bond Indenture dated as of October 15, 1995, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – Multiple Participant Series) Series 1995E;

Bond Indenture dated as of April 1, 1996, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – City of Kansas City Project) Series 1996A;

Bond Indenture dated as of April 1, 1996, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – Multiple Participant Series) Series 1996B;

Bond Indenture dated as of June 1, 1996, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1996D;

Bond Indenture dated as of December 1, 1996, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – Multiple Participant Series) Series 1996E;

Bond Indenture dated as of June 1, 1997, relating to the Water Pollution Control Revenue Refunding Bonds (State Revolving Fund Program – Multiple Participant Series) Series 1997A;

Bond Indenture dated as of April 1, 1997, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – City of Kansas City Project) Series 1997B and the Water Pollution Control Revenue Bonds (State Revolving Fund Program – City of Kansas City Project) Series 1997C;

Bond Indenture dated as of June 1, 1997, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1997D;

Bond Indenture dated as of December 1, 1997, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – Master Trust) Series 1997E;

Bond Indenture dated as of December 1, 1997, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – Master Trust) Series 1997F;

Bond Indenture dated as of April 1, 1998, as amended, relating to the Water Pollution Control Revenue Bonds (State Revolving Fund Program – Master Trust) Series 1998A;

Bond Indenture dated as of December 1, 1998, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 1998B;

Bond Indenture dated as of June 1, 1999, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 1999A;

Bond Indenture dated as of December 1, 1999, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 1999B;

Bond Indenture dated as of April 1, 2000, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2000A;

Bond Indenture dated as of November 1, 2000, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2000B;

Bond Indenture dated as of April 1, 2001, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2001A;

Bond Indenture dated as of June 1, 2001, relating to the Water Pollution Control Revenue Refunding Bonds (State Revolving Funds Programs – Master Trust) Series 2001B;

Bond Indenture dated as of November 1, 2001, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2001C;

Bond Indenture dated as of May 1, 2002, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2002A;

Bond Indenture dated as of November 1, 2002, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Fund Programs – Master Trust) Series 2002B;

Bond Indenture dated as of January 1, 2003, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2003A;

Bond Indenture dated as of April 1, 2003, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs – Master Trust) Series 2003B;

Bond Indenture dated as of November 1, 2003, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2003C;

Bond Indenture dated as of March 1, 2004, relating to the Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2004A;

Bond Indenture dated as of May 1, 2004, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2004B;

Bond Indenture dated as of December 1, 2004, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2004C;

Bond Indenture dated as of May 1, 2005, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2005A;

Bond Indenture dated as of November 1, 2005, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2005C;

Bond Indenture dated as of April 1, 2006, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2006A;

Bond Indenture dated as of November 1, 2006, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2006B;

Bond Indenture dated as of April 1, 2007, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2007A;

Bond Indenture dated as of November 1, 2007, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2007B;

Bond Indenture dated as of October 1, 2008, as amended, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2008A;

Bond Indenture dated as of February 1, 2010, relating to the Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2010A;

Bond Indenture dated as of November 1, 2010, relating to the Water Pollution Control and Drinking Water Revenue Bonds (State Revolving Funds Programs) Series 2010B;

Bond Indenture dated as of November 1, 2011, relating to the Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2011A; and

Bond Indenture dated as of November 1, 2013, relating to the Water Pollution Control and Drinking Water Refunding Revenue Bonds (State Revolving Funds Programs) Series 2013A.

State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #4**  
**PROJECT UPDATES**

**Issue:**

Update on the Redemption of the 2004 Energy Efficiency Bonds, Water Quality Fee Study, MDNR Affordability Determination Efforts, Natural Resource Damage Restoration Projects, Water and Wastewater Affordability Efforts, and Missouri Brownfields Revolving Loan Fund

**Action Needed:**

None.

**Staff Recommendation:**

None.

**Staff Contact:**

Karen Massey and Kristin Tipton

**Background:**

Redemption of Series 2004 Energy Efficiency Leveraged Loan Bonds

Since the last meeting of the Authority, Moody's completed their surveillance review of the remaining energy bonds and noted no need to change the AA rating. Following the review, documents were finalized and notice was given to bondholders that the outstanding 2004 Energy Bonds will be called on May 15 as authorized by the Board at the January meeting. Staff was pleased to be able to offer this opportunity to the Division of Energy which produced savings and eased administration of their energy efficiency loans.

Water Quality Fee Study

The Environmental Finance Center at the University of North Carolina continues to carry out their activities under the Agreement with the Authority. At this time they are finalizing their review of various other fee structures and are developing the spreadsheet models relating to MDNR's revenue requirements and cost allocation methods. The project is proceeding according to plan and should be completed within the agreed upon timeframes.

Review of MDNR Affordability Determination Efforts

Staff has completed their review of MDNR's Affordability Determination Process and is working to complete the report of our efforts. The report should be complete prior to the Authority

meeting. As you may recall, in certain water quality permits MDNR is required to make a determination of whether the cost of infrastructure upgrades to meet new water quality standards are affordable. MDNR uses the affordability determinations as a factor in determining how long a community will be given to meet the water quality standards. After discussing the process with MDNR staff and stakeholders and reviewing numerous water quality permits, we found that, overall, MDNR created a sound process which complies with the statutory requirements. We did find a number of errors in the determinations themselves; however, those errors did not appear to impact the conclusions reached. We also found a fair degree of inconsistency between the compliance schedules given to communities with similar affordability determination outcomes. As MDNR pointed out in our initial meeting, we agree that the cost estimating tool available to MDNR is not well suited to technologies commonly used by small communities. Finally, we also found that the language used in the permit and other documents tends to be misinterpreted or not understood by the communities. Overall, while there is room for improvement, the process is meeting the statutory requirements and MDNR is doing a good job trying to identify and accommodate affordability issues for smaller communities.

#### Natural Resource Damage Restoration Projects

The Project Work Plans (Scope of Work) for both the Missouri Prairie Foundation and Webb City projects have been approved and signed by MDNR. Pursuant to the Work Plan, Authority Staff has prepared and submitted draft contracts between MDNR and the project participants. The Prairie Foundation contract has been reviewed and approved by MDNR and submitted to the Missouri Prairie Foundation for signature. Once the Prairie Foundation signs the agreement, they are likely to move quickly on their first property acquisition. MDNR is reviewing the Webb City contract and anticipates it will be given to the City for signature later this month. Lewis, Rice and Fingersh prepared a draft conservation easement form and staff has been working with MDNR on various terms within the document. Staff has also been working on a procedural and guidance document relating to the upcoming real estate transactions where program participants will purchase property to be restored, maintained and protected. Finally, we have developed financial and activity reporting templates and the first Quarterly Progress Report has been submitted to MDNR.

#### Water and Wastewater Infrastructure Affordability Efforts

The Agreement with Wichita State University regarding the Missouri AWIN model has been executed. The WSU Environmental Finance Center staff team is in the process of gathering Missouri specific data and information for the model. Authority and DNR staff have agreed to the list of communities that will populate the model, which will include all with a population of less than 10,000 but will exclude St. Louis, St. Charles, Jackson, Clay and Green Counties. It is still anticipated that the bulk of the work will be finished and the preliminary community sustainability model completed by early fall.

#### Missouri Brownfields Revolving Loan Fund

The EPA recently announced an opportunity to compete for supplemental brownfield revolving loan money and staff submitted a request for \$500,000 in hazardous substance

funds. The MBRLF has received a loan pre-application from the Lebanon Industrial Development Authority. Additional documents are required before this project can move forward.

Project updates are as follows:

- The MBRLF environmental consultant is working on the ABCA for the Habitat for Humanity of Springfield, Missouri Inc. site.
- Remains, Inc. is making interest payments on its loan from the program and its contractor is finalizing the Remediation Action Plan with BVCP. Signing of our amended agreement to increase the loan size to Remain has been delayed due to an incorrectly executed transfer of property to the company by the St. Louis Land Reutilization Authority.
- A Certificate of Completion was received for the former Carousel Building located in Eldon that is currently owned by the Lake of the Ozarks Council of Local Governments. The property will be transferred to a developer who is ready to begin work on the property.
- Oil cleanup is substantially complete at the Wittenberg Warehouse, part of the former Porter Oil Site currently owned by the Land Reutilization Authority of the City of St. Louis.
- Fourth quarter samples were pulled from long-term groundwater monitoring wells on the Ranken Technical College site and although the contractor reported to BVCP that sampling levels are adequate for site closure, BVCP requested an additional quarter of monitoring.
- As requested by BVCP, a fourth monitoring well was installed at the former Alliance Medical Warehouse site in Russellville and all four wells were sampled. Due to a slight increase in the benzene concentration in well #2, BVCP requested two additional groundwater sampling events at the site during the 2<sup>nd</sup> and 3<sup>rd</sup> quarters. The contractor on this project has thus far agreed to perform the sampling within the original contract cost, barring unexpected difficulties that could possibly increase costs.
- SMI/SNF Landlord, LLC continues to repay its loan from the program as scheduled.

KM/KT:ge



State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #5B**  
**MISSOURI MARKET DEVELOPMENT PROGRAM**  
**FUNDING RECOMMENDATION FOR ECOTEC SURFACES, LLC**

**Issue:**

EcoTec Surfaces, LLC requested \$50,000 toward the purchase of equipment costing \$62,000 that would enable the company to increase production of solid surface counter tops made from urethane, soy oil, and recycled automotive glass.

**Action Needed:**

Consideration of the funding recommendations for the EcoTec Surfaces, LLC. project.

**Staff Recommendation:**

Staff recommends awarding EcoTec Surfaces, LLC \$46,875, not to exceed 75% of the cost of the equipment.

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

EcoTec Surfaces, LLC, located in Kansas City, requested \$50,000 toward the purchase of equipment costing \$62,000 that would enable the company to increase production of solid surface counter tops made from urethane, soy oil, and recycled automotive glass. This "first of its kind" product can be color matched to meet designer specifications and as it contains more than fifty-percent renewable and recycled materials, can typically offer a builder twice the LEED points of competitors. The product also weighs twenty-percent less than acrylic solid surfaces, making it attractive for the boating industry, easier on installers, and will save on transportation costs. The company began operation in 2009 as EcoTec Solid Surfaces and in 2012 was named one of the top 100 new companies by "This Old House" magazine. Supply and capital problems caused production to stall and the company was reorganized as EcoTec Surfaces in 2013. Targeting commercial, rather than residential markets, the company is currently in negotiations with a large convenience store operator for countertop replacement in multiple stores. EcoTec Surfaces LLC anticipates diverting 272 tons from the waste stream annually and creating 16 new full time jobs with this project.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, and the Authority, unanimously recommends awarding this project \$46,875, not to exceed 75% of the cost of the equipment. This is the highest amount for which the proposal is eligible.

KT:ge

State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #5C**  
**MISSOURI MARKET DEVELOPMENT PROGRAM**  
**FUNDING RECOMMENDATION FOR QRS, INC.**

**Issue:**

QRS, Inc. requested \$250,000 toward the purchase of equipment costing \$557,000 that would enable the company to recover post-consumer mixed plastics residuals.

**Action Needed:**

Consideration of the funding recommendations for the QRS, Inc. project.

**Staff Recommendation:**

Staff recommends tabling the QRS, Inc. application until DNR has made a determination about whether permits are required.

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

QRS, Inc, located in St. Louis, requested \$250,000 toward the purchase of equipment costing \$557,000 that would enable the company to recover post-consumer mixed plastics residuals that Material Recovery Facilities (MRFs) are not targeting or are unable to recover. Single stream collection systems typically recover between 80-90% of materials, sending unrecovered residuals directly to landfills. QRS, Inc. has developed technology to recover 85% of the material left in this residual stream, having conducted two years of study with extensive full production trials in Europe. QRS, Inc. operates in five major markets and has recently secured a St. Louis facility where this \$6,120,000 project will be implemented. The company intends to source material from all areas of the state that have household collection programs in place and will pick up the residual materials at a cost neutral to the supplier. The materials will be sized, sorted, washed, ground and dedusted before being packaged for reuse in manufacturing. Marketing of the end product will be performed by St. Josephs Plastics, a successful MMDP participant. QRS, Inc. anticipates diverting 2,080 tons from the waste stream annually and creating up to 30 new full time positions with this project.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, and the Authority, strongly supports this project. DNR staff participating in the committee,

however, advised that language in the application suggests the business may require a solid waste processing permit. The committee recommends tabling the QRS, Inc. application until DNR has made a determination about whether permits are required.

KT:ge

State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #5D**  
**MISSOURI MARKET DEVELOPMENT PROGRAM**  
**FUNDING RECOMMENDATION FOR AVENUE OF LIFE, INC.**

**Issue:**

Avenue of Life, Inc. requested \$75,000 toward the purchase of equipment costing \$94,550 that will enable the not-for-profit to recover materials from mattresses and box springs and process them into feedstocks.

**Action Needed:**

Consideration of the funding recommendations for the Avenue of Life, Inc. project.

**Staff Recommendation:**

Staff recommends tabling the Avenue of Life, Inc. application until additional information could be obtained from the applicant.

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

Avenue of Life, Inc., located in Kansas City, requested \$75,000 toward the purchase of equipment costing \$94,550 that will enable the not-for-profit to recover materials from mattresses and box springs and process them into feedstocks. Avenue of Life was established in 2013 to serve as a catalyst in the Kansas City area to break the cycle of poverty through community development. The organization's leadership team previously developed the largest local day care center for the homeless and currently provides a range of programs and services to meet the needs of disadvantaged and at-risk people. The mattress recycling initiative is supported by the Mid America Regional Council (MARC) and will be implemented with the collaboration of St. Vincent de Paul of Lane County, Oregon, the leading mattress recycler in the nation. Currently there are no mattress recyclers in the Kansas City area. The organization has acquired a facility to process the mattresses and box springs and commitments from several businesses and organizations to supply mattresses and purchase recovered materials. Avenue of Life, Inc. anticipates diverting 1,677 tons from the waste stream annually and creating seven new full time employee positions with this project.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development,

and the Authority, strongly support this project. The application, however, requested funding for some items of equipment which are not eligible through the program. The committee recommends that staff meet with the applicant and discuss options for moving the project forward.

KT:ge

State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #5E**  
**MISSOURI MARKET DEVELOPMENT PROGRAM**  
**FUNDING RECOMMENDATION FOR EXT, INC.**

**Issue:**

EXT, Inc. requested \$94,858.67 toward the refurbishment of inoperable equipment that would enable the company to increase recycling capacity and plastic sheet production

**Action Needed:**

Consideration of the funding recommendations for the EXT, Inc. project.

**Staff Recommendation:**

Staff recommends awarding EXT, Inc. \$75,000, not to exceed 50% of the cost of the equipment.

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

EXT, Inc., located in Excelsior Springs, requested \$94,858.67 toward the refurbishment of inoperable equipment that would enable the company to increase recycling capacity and sheet production. The cost of refurbishing the granulator and sheet extrusion machine is \$142,288. EXT, Inc., a successful past program participant, has been producing plastic sheets and thermoformed parts from recovered materials since 1974. The company manufactures products for a wide array of industries including transportation, display, packaging, and lawn and garden. By refurbishing inoperable equipment, the company can increase production capacity of products containing primarily High Impact Polystyrene and High Density Polyethylene sourced from many areas in the state. EXT, Inc. manufactures with near zero processing waste and approximately 90% of its products contain recycled materials. The company is one of only a small handful of companies in the United States that recycles material, extrudes sheets and then thermoforms the sheets into finished products. The Program has had a long-time policy of including as eligible for funding projects that create a new product, use a different type of feedstock, or increase diversion. This project will not only substantially increase the company's diversion, but will also enable it to accept materials for which it currently does not have capacity. EXT's product line is diverse and constantly changing – because many of their products are made from the sheets produced by this equipment, it is likely that new and different products will result from this project. Additionally,

plastics has been a material focus for the program in recent years. EXT, Inc. anticipates diverting an additional 609 tons from the waste stream annually and creating 11 new full time employee positions with this project.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, and the Authority, unanimously recommends awarding this project \$75,000, not to exceed 50% of the cost of the equipment. This is the highest amount for which the proposal is eligible.

KT:ge

State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #5F**  
**MISSOURI MARKET DEVELOPMENT PROGRAM**  
**UPDATE ON PROJECT WITH LAKE AREA INDUSTRIES**

**Issue:**

Equipment problems have stalled the MMDP project with Lake Area Industries.

**Action Needed:**

None.

**Staff Recommendation:**

N/A

**Staff Contact:**

Kristin Tipton, Development Director

**Background:**

At its December 5, 2012 meeting the EIERA awarded Lake Area Industries (LAI) \$20,715 towards the purchase of a foam densifier for a project to recover the vast amounts of Styrofoam that remain in nuisance dumpsites throughout the Lake area since the 2008 decision by Ameren UE to require all boat dock foam to be converted to encapsulated floats. Lake Area Industries (LAI) is a sheltered workshop that has operated for thirty years and currently employs fifty-five people with disabilities. There are currently no operations that successfully process this type of foam, but a vendor for the equipment assured LAI that he would make his machine work. After much retrofitting of the original machine, including a replacement, it was determined that a more robust and more expensive machine was required. At its September 12, 2013, meeting, the EIERA increased the award to LAI to \$39,000 to cover 75% of the cost of this third machine. The vendor invested a substantial amount of time on this machine also, including a complete rebuild, but it is still not suitable for the operation. In the interim, LAI acquired the services of a volunteer retired engineer who has identified and tested an alternate machine that is capable of processing the foam. The original vendor has refused to refund the purchase price of the inoperable machine. LAI is considering legal steps to sue the vendor for a refund, but obviously this does not help move the project forward in the near future. Tiffany Riemann, Executive Director for LAI will make a short presentation at the meeting to update the members on the status of the project and possible solutions for moving forward.

KT:ge



State Environmental Improvement and Energy Resources Authority  
313<sup>th</sup> Board Meeting  
May 20, 2014

**Agenda Item #6**  
**REVIEW OF FY14 THIRD QUARTER FINANCIALS**

**Issue:**

Summary of FY14 Third Quarter Financials

**Action Needed:**

None

**Staff Recommendation:**

None

**Staff Contact:**

Marcus Rowe

**Background:**

In reviewing the financial statements dated March 31, 2014, the Authority is within budget and is showing improved diversification with regards to project income. More specifically, the Authority started recouping costs associated with the Natural Resource Damages (NRD) initiative, and also has been assisting on the Series 2004 Energy Bond redemption. The NRD project income increases the "other income" category to 3% of total income through March 31, 2014. The Series 2004 Bond Energy redemption work will provide additional income to this category with this project nearing completion. Looking forward, this figure could rise a bit more since the EIERA is working on multiple NRD projects simultaneously. These new activities are important for the EIERA's income diversification, and hopefully the value the Authority adds to these projects will be well received and lead to more special projects in the future.

Personnel costs and operating costs are well below projections through March 31, 2014, and overall the Authority is on pace to maintain its budget goals.

Through March 31, 2014, both Brownfields and Market Development program spending are lower than projected. This should be changing in the Fiscal Year 2015 as previously approved Brownfields projects pick up momentum and we anticipate the approval of several new Market Development projects.

The financial assessment for the quarter is positive and we will be making every effort to keep heading in this direction moving forward.

A follow up to the efforts in auditing the Weatherization funds did turn up a couple of items, but fortunately they were minor adjustments that the Division of Energy had to make in terms of funds available. This was a very time consuming but positive exercise that showed that the procedures in place have worked very well to provide an accurate accounting of weatherization funds.

MR:ge

Attachment

**ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES  
AUTHORITY AND NRD STATEMENT  
FINANCIAL STATEMENT  
FOR THE PERIOD ENDING MARCH 31, 2014**

**thompson & thompson c.p.a., p.c.**

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**720 madison jefferson city, mo 65101**

thompson & thompson c.p.a., p.c.  
720 madison jefferson city mo. 65101

carolyn s. thompson  
scott w. thompson  
573-635-9296/634-3635  
FAX 573-635-2652

To the Board of Directors  
Environmental Improvement and Energy Resources  
Jefferson City, MO

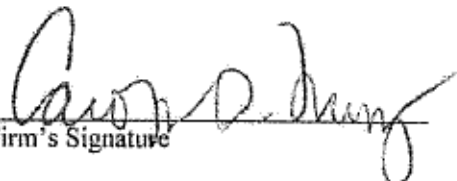
I have compiled the accompanying balance sheet of Environmental Improvement and Energy Resources— authority and NRD funds as of March 31, 2014 and 2013, and the related statements of operations for the year ending March 31, 2014. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

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Firm's Signature

April 30, 2014  
Report Date

**ENVIRONMENTAL IMPROVEMENT & ENERGY  
RESOURCES AUTHORITY  
AUTHORITY AND NRD BALANCE SHEET  
As of March 31, 2014 and 2013**

	<u>March 31, 2014</u>	<u>March 31, 2013</u>
<b>CURRENT ASSETS</b>		
CASH IN BANK - CHECKING	9,750.52	10,000.00
CASH IN BANK - MONEY MARKET	586,712.49	668,047.00
CASH IN BANK - PAYROLL	1,581.55	4,871.81
CASH IN BANK - DSP INITIATIVE CTB	0.00	72,042.99
SAVINGS ACCT - HAWTHORN 3278 (C	21.01	0.00
ACCOUNTS RECEIVABLE	69,886.77	0.00
DUE FROM AUTHOR/MD	58,055.93	32,311.26
DUE FROM BROWNFIELDS	30,946.97	42,605.30
PREPAID ITEMS	0.00	2,814.00
SWMF RECEIVABLE	5,000.00	0.00
<b>Total Current Assets</b>	\$ 761,955.24	\$ 832,692.36
<b>FIXED ASSETS</b>		
FIXED ASSETS	101,374.02	101,374.02
ACCUMULATED DEPRECIATION	(101,013.95)	(100,911.05)
<b>Net Fixed Assets</b>	\$ 360.07	\$ 462.97
<b>INVESTMENTS</b>		
CERTIFICATES OF DEPOSIT	2,710,660.17	2,709,993.06
GNMA INVESTMENT	7,720.23	8,546.54
ACCRUED INTEREST	570.00	73.00
<b>Total Investments</b>	\$ 2,718,950.40	\$ 2,718,612.60
<b>OTHER LONG TERM ASSETS</b>		
<b>TOTAL ASSETS</b>	<u>\$ 3,481,265.71</u>	<u>\$ 3,551,767.93</u>
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	956.95	2,514.85
PAYROLL TAXES PAYABLE	(53.17)	16.32
ACCRUED EXPENSES	44,438.91	49,355.91
<b>Total Current Liabilities</b>	\$ 45,342.69	\$ 51,887.08
<b>NET WORTH</b>		
FUND BALANCE	3,435,923.02	3,499,880.85
<b>Total Net Worth</b>	<u>3,435,923.02</u>	<u>3,499,880.85</u>
<b>Total Liabilities &amp; Net Worth</b>	<u>\$ 3,481,265.71</u>	<u>\$ 3,551,767.93</u>

# ENVIRONMENTAL IMPROVEMENT AND RESOURCES AUTHORITY AUTHORITY AND NRD OPERATIONS STATEMENT

	3 Months Ended March 31, 2014	9 Months Ended March 31, 2014	ANNUAL	VARIANCE
<b>REVENUE</b>				
EIERA EXP. (MKT DEV)	\$ 2,500.00	\$ 7,500.00	\$ 10,000.00	2,500.00
EIERA STAFF SUPPORT (MKT DEV)	8,750.00	26,250.00	35,000.00	8,750.00
NRD REIMBURSEMENT	8,067.79	8,067.79	0.00	(8,067.79)
SRF REIMBURSEMENT	61,818.98	117,709.31	150,000.00	32,290.69
APPLICATION FEES	0.00	2,500.00	2,500.00	0.00
ISSUANCE FEES	0.00	170,604.08	170,604.00	(0.08)
INVEST. INCOME	3,633.97	12,255.48	10,000.00	(2,255.48)
GAIN (LOSS) ON SALE OF EQUIPMENT	0.00	792.00	0.00	(792.00)
MISC. INCOME	5.00	1,692.27	200.00	(1,492.27)
<b>TOTAL REVENUE</b>	<b>84,775.74</b>	<b>347,370.93</b>	<b>378,304.00</b>	<b>30,933.07</b>
<b>PERSONAL SERVICES:</b>				
PER DIEM	100.00	150.00	850.00	700.00
OFFICE SALARIES	59,252.65	163,849.35	290,000.00	126,150.65
TAXES AND FRINGE	24,892.83	66,320.96	100,000.00	33,679.04
TRAVEL EXPENSE	115.83	1,613.64	10,500.00	8,886.36
TRAVEL EXPENSE BOARD	389.20	503.68	2,300.00	1,796.32
<b>TOTAL PERSONAL SERVICES</b>	<b>\$ 84,750.51</b>	<b>\$ 232,437.63</b>	<b>\$ 403,650.00</b>	<b>\$ 171,212.37</b>
<b>PROFESSIONAL SERVICES</b>				
LEGAL FEES & EXPENSES (GEN)	5,753.00	12,097.92	14,820.00	2,722.08
LEGAL FEES & EXPENSES (SRF GEN)	969.00	4,633.50	22,800.00	18,166.50
ACCOUNTING FEES	2,575.00	7,905.00	11,000.00	3,095.00
AUDIT FEES	0.00	21,344.20	21,500.00	155.80
MISC PROFESSIONAL FEE EXP	4,700.00	7,700.00	50,000.00	42,300.00
<b>TOTAL PROFESSIONAL SERV.</b>	<b>\$ 13,997.00</b>	<b>\$ 53,680.62</b>	<b>\$ 120,120.00</b>	<b>\$ 66,439.38</b>
<b>OPERATING EXPENSES:</b>				
EQUIP. MAINT.	0.00	0.00	500.00	500.00
TELEPHONE	265.97	1,291.33	3,000.00	1,708.67
OFFICE SUPPLIES/PRINTING	915.98	3,042.93	5,500.00	2,457.07
POSTAGE & SHIPPING	254.26	725.16	1,400.00	674.84
MEMBERSHIP DUES	325.00	3,630.00	3,550.00	(80.00)
CONF/REGIS. FEES	0.00	340.00	2,000.00	1,660.00
PUB. & SUBSCRIPT.	0.00	0.00	400.00	400.00
TRAINING	0.00	405.00	1,000.00	595.00
BOARD MEETING EXPENSE	79.48	130.87	500.00	369.13
MISC. & ADMIN.	83.50	142.17	300.00	157.83
ADVERT/LEGAL NOTICES	2,989.02	2,989.02	3,000.00	10.98
OFFICE MAINT.	0.00	933.00	1,000.00	67.00
RENT	7,500.00	23,134.84	28,000.00	4,865.16
UTILITIES	0.00	1,569.81	1,600.00	30.19
INSURANCE	516.00	533.00	800.00	267.00
PARKING	0.00	400.00	400.00	0.00
MOVING EXPENSE	31.82	13,675.12	15,000.00	1,324.88
EQUIP. PURCHASE	0.00	0.00	2,000.00	2,000.00
COMPUTER EQUIP PURCH	0.00	878.00	1,000.00	122.00
WORKERS' COMP CONTINGENCY	0.00	0.00	4,500.00	4,500.00
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 12,961.03</b>	<b>\$ 53,820.25</b>	<b>\$ 75,450.00</b>	<b>\$ 21,629.75</b>
<b>PROJECT ASSISTANCE</b>				
BRLF MATCH (TRANSFER OUT)	4,164.98	18,606.37	285,996.00	267,389.63
<b>TOTAL PROJECT ASSIST.</b>	<b>\$ 4,164.98</b>	<b>\$ 18,606.37</b>	<b>\$ 285,996.00</b>	<b>\$ 267,389.63</b>
<b>NET REV. OVER (UNDER) EXP</b>	<b>\$ (31,097.78)</b>	<b>\$ (11,173.94)</b>	<b>\$ (506,912.00)</b>	<b>\$ (495,738.06)</b>

SEE ACCOUNTANT'S COMPILATION REPORT

**ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES**

**BROWNFIELDS STATEMENT**

**FINANCIAL STATEMENT**

**FOR THE PERIOD ENDING MARCH 31, 2014**

**thompson & thompson c.p.a., p.c.**

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**720 madison jefferson city, mo 65101**

thompson & thompson c.p.a., p.c.  
720 madison jefferson city mo. 65101

carolyn s. thompson  
scott w. thompson  
573-635-9296/634-3635  
FAX 573-635-2652

To the Board of Directors  
Environmental Improvement and Energy Resources  
Jefferson City, MO

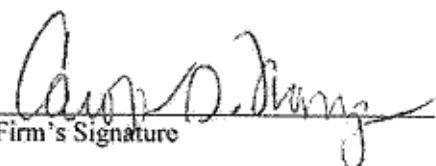
I have compiled the accompanying balance sheet of Environmental Improvement and Energy Resources – brownfields fund as of March 31, 2014, and the related statements of operations for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

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Firm's Signature

April 30, 2014  
Report Date



# MO ENVIRON. IMPROVE. & ENERGY RESOURCES

## BROWNFIELDS COMBINED GRANTS BALANCE SHEET

As of March 31, 2014

March 31, 2014

### CURRENT ASSETS

CASH IN BANK - CB MMF  
ACCOUNTS RECEIVABLE

10,247.95

20,933.02

Total Current Assets

\$ 31,180.97

### FIXED ASSETS:

Total Fixed Assets

\$ 0.00

TOTAL ASSETS

\$ 31,180.97

### CURRENT LIABILITIES

ACCOUNTS PAYABLE  
DUE TO AUTHORITY

234.00

30,946.97

Total Current Liabilities

\$ 31,180.97

### NET WORTH

TOTAL LIABILITIES & NET WORTH

\$ 31,180.97

**ENVIRONMENTAL IMPROVEMENT AND RESOURCES AUTHORITY**  
**BROWNFIELDS OPERATIONS STATEMENT**  
For the Year Ending March 31, 2014

	TOTAL BROWNFIELDS	BROWNFIELDS BUDGET	VARIANCE
<b>REVENUE</b>			
BROWNFIELDS REIMBURSEMENT	90,450.49	1,432,062.00	1,341,611.51
LOAN REPAYMENT	30,729.77	40,896.00	10,166.23
BRLF MATCH TRANSFER IN (EIERA)	<u>18,606.37</u>	<u>285,996.00</u>	<u>267,389.63</u>
<b>TOTAL REVENUE</b>	\$ 139,786.63	\$ 1,758,954.00	\$ 1,619,167.37
<b>PROGRAM EXPENSES</b>			
OFFICE SALARIES	31,003.60	188,915.00	157,911.40
TAXES AND FRINGE BENEFITS	13,826.68	89,866.00	76,039.32
TRAVEL EXPENSE	474.66	38,247.00	37,772.34
OFFICE SUPPLIES/PRINTING	0.00	1,100.00	1,100.00
CONTRACTUAL	2,767.00	154,001.00	151,214.00
LOANS AND SUBGRANTS	<u>91,694.13</u>	<u>1,286,625.00</u>	<u>1,195,130.87</u>
<b>TOTAL PROGRAM EXP</b>	\$ 139,786.07	\$ 1,758,954.00	\$ 1,619,167.93
<b>NET REV. OVER (UNDER) EXP</b>	<u>\$ 0.56</u>	<u>\$ 0.00</u>	<u>\$ (0.56)</u>

SEE ACCOUNTANT'S COMPILATION REPORT

**ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES**  
**MARKET DEVELOPMENT STATEMENT**  
**FINANCIAL STATEMENT**  
**FOR THE PERIOD ENDING MARCH 31, 2014**

thompson & thompson c.p.a., p.c.

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720 madison jefferson city, mo 65101

thompson & thompson c.p.a., p.c.  
720 madison jefferson city mo. 65101

carolyn s. thompson  
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To the Board of Directors  
Environmental Improvement and Energy Resources  
Jefferson City, MO

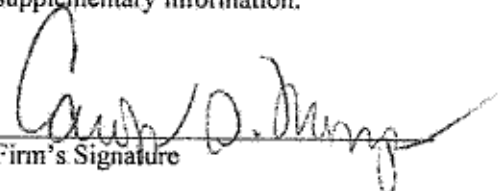
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Firm's Signature

April 30, 2014  
Report Date

**ENVIRONMENTAL IMPROVEMENT & ENERGY  
RESOURCES AUTHORITY  
MARKET DEVELOPMENT BALANCE SHEET  
As of March 31, 2014 and 2013**

	March 31, 2014	March 31, 2013
<b>CURRENT ASSETS</b>		
HAWTHORN BK MKT DEV 161721	322,329.15	155,351.21
SWMF RECEIVABLE	<u>92,648.20</u>	<u>233,548.91</u>
<b>Total Current Assets</b>	\$ 414,977.35	\$ 388,900.12
<b>FIXED ASSETS</b>		
FIXED ASSETS	17,736.73	17,736.73
ACCUMULATED DEPRECIATION	<u>(16,520.13)</u>	<u>(16,215.93)</u>
<b>Net Fixed Assets</b>	\$ 1,216.60	\$ 1,520.80
<b>INVESTMENTS</b>		
<b>Total Investments</b>	\$ 0.00	\$ 0.00
<b>TOTAL ASSETS</b>	<u>\$ 416,193.95</u>	<u>\$ 390,420.92</u>
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	666.36	567.27
DUE TO AUTHORITY	58,055.93	32,311.26
PAYROLL TAXES PAYABLE	<u>0.00</u>	<u>1.19</u>
<b>Total Current Liabilities</b>	\$ 58,722.29	\$ 32,879.72
<b>NET WORTH</b>		
FUND BALANCE	<u>357,471.66</u>	<u>357,541.20</u>
<b>Total Net Worth</b>	357,471.66	357,541.20
<b>Total Liabilities &amp; Net Worth</b>	<u>\$ 416,193.95</u>	<u>\$ 390,420.92</u>

SEE ACCOUNTANT'S COMPILATION REPORT

# ENVIRONMENTAL IMPROVEMENT AND RESOURCES AUTHORITY

## MARKET DEVELOPMENT STATEMENT

	3 Months Ended March 31, 2014	9 Months Ended March 31, 2014	ANNUAL BUDGET	VARIANCE
<b>REVENUE</b>				
SOLID WASTE MANAGEMENT	\$ 92,848.20	\$ 457,587.90	\$ 1,503,906.00	\$ (1,046,318.10)
INVEST. INCOME	60.87	196.72	0.00	(196.72)
<b>TOTAL REVENUE</b>	<b>\$ 92,709.07</b>	<b>\$ 457,784.62</b>	<b>\$ 1,503,906.00</b>	<b>\$ 1,046,121.38</b>
<b>ADMINISTRATIVE:</b>				
PAYROLL AND FRINGE	\$ 16,454.40	\$ 55,457.44	\$ 95,000.00	\$ 39,542.56
LEGAL FEES/ EXPENSES	0.00	4,252.50	7,000.00	2,747.50
TRAVEL EXPENSES	86.66	448.95	1,000.00	551.05
ACCOUNTING FEES	360.00	1,080.00	1,800.00	720.00
MEMBERSHIPS	0.00	295.00	2,000.00	1,705.00
CONFERENCE/REGISTRATION F	0.00	670.00	1,000.00	330.00
EIERA SALFRINGES	8,750.00	26,250.00	35,000.00	8,750.00
DIRECT COSTS	49.03	578.36	1,200.00	621.64
EIERA EXPENSES	2,500.00	7,500.00	10,000.00	2,500.00
TRAINING	0.00	0.00	800.00	800.00
<b>TOTAL ADMINISTRATIVE</b>	<b>\$ 28,200.09</b>	<b>\$ 96,532.25</b>	<b>\$ 154,800.00</b>	<b>\$ 58,267.75</b>
<b>BUSINESS ASSISTANCE:</b>				
LEGAL FEES/EXPENSES	\$ 1,875.00	\$ 10,792.75	\$ 16,000.00	\$ 5,207.25
TRAVEL EXPENSE	107.29	515.03	2,500.00	1,984.97
PUBLICATION DESIGN/PRODUCT	0.00	0.00	1,000.00	1,000.00
BUSINESS INITIATIVES	7,500.00	11,250.00	25,000.00	13,750.00
DIRECT FIN ASSIST	4,816.76	93,816.76	454,042.00	360,225.24
ENCUM DIR FIN ASST PRIOR YEA	49,054.05	210,112.57	766,539.00	556,426.43
<b>TOTAL BUSINESS ASSIS.</b>	<b>\$ 63,353.10</b>	<b>\$ 326,487.11</b>	<b>\$ 1,265,061.00</b>	<b>\$ 938,593.89</b>
<b>TECHNICAL ASSISTANCE:</b>				
TECHNICAL ASSIST. ENCUMBER	\$ 1,125.00	\$ 14,025.00	\$ 14,025.00	\$ 0.00
TECHNICAL ASSISTANCE	0.00	0.00	25,000.00	25,000.00
CONTRACT SERV. MO ENTERPRI	0.00	4,848.54	25,000.00	20,151.46
MACOG	0.00	15,725.00	20,000.00	4,275.00
<b>TOTAL TECH. ASSIS.</b>	<b>\$ 1,125.00</b>	<b>\$ 34,598.54</b>	<b>\$ 84,025.00</b>	<b>\$ 49,426.46</b>
<b>NET REV. OVER (UNDER) EXP</b>	<b>\$ 30.88</b>	<b>\$ 166.72</b>	<b>\$ 0.00</b>	<b>\$ (166.72)</b>

SEE ACCOUNTANT'S COMPILATION REPORT

**ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES**

**WEATHERIZATION STATEMENT**

**FINANCIAL STATEMENT**

**FOR THE PERIOD ENDING MARCH 31, 2014**

**thompson & thompson c.p.a., p.c.**

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**720 madison jefferson city, mo 65101**

thompson & thompson c.p.a., p.c.  
720 madison jefferson city mo. 65101

carolyn s. thompson  
scott w. thompson  
573-635-9296/634-3635  
FAX 573-635-2652

To the Board of Directors  
Environmental Improvement and Energy Resources  
Jefferson City, MO

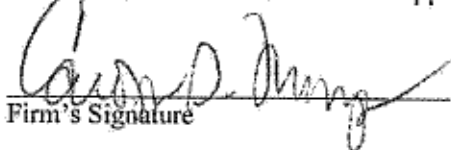
I have compiled the accompanying balance sheet of Environmental Improvement and Energy Resources – weatherization fund as of March 31, 2014, and the related statements of operations for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The management's has elected to omit budgetary information for this fund required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic or historical context.

  
Firm's Signature

April 30, 2014  
Report Date



**ENVIRONMENTAL IMPROVEMENT & ENERGY  
RESOURCES AUTHORITY  
WEATHERIZATION BALANCE SHEET  
As of March 31, 2014**

March 31, 2014

<b>CURRENT ASSETS</b>	
CTB WEATHERIZATION 160105	<u>2,695,882.24</u>
<b>Total Current Assets</b>	<b>\$ 2,695,882.24</b>
<b>INVESTMENTS</b>	
<b>Total Investments</b>	<b>\$ 0.00</b>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,695,882.24</u></b>
<b>CURRENT LIABILITIES</b>	
ACCOUNTS PAYABLE	<u>175.00</u>
<b>Total Current Liabilities</b>	<b>\$ 175.00</b>
<b>NET WORTH</b>	
FUND BALANCE	<u>2,695,707.24</u>
<b>Total Net Worth</b>	<b>\$ 2,695,707.24</b>
<b>TOTAL LIABILITIES &amp; NET WORTH</b>	<b><u>\$ 2,695,882.24</u></b>

**ENVIRONMENTAL IMPROVEMENT AND RESOURCES AUTHORITY**  
**WEATHERIZATION OPERATIONS STATEMENT**  
**For the Year Ending March 31, 2014**

	AMERENUE ELECTRIC	AMERENUE GAS	LACLEDE GAS	LIBERTY UTILITIES	TOTAL
<b>REVENUE</b>					
WEATHERIZATION PAYMENTS	1,140,000.00	263,000.00	950,000.00	105,000.00	2,458,000.00
INVEST. INCOME	607.35	417.91	523.89	113.21	1,662.36
<b>TOTAL REVENUE</b>	\$ 1,140,607.35	\$ 263,417.91	\$ 950,523.89	\$ 105,113.21	\$ 2,459,662.36
<b>PROGRAM EXPENSES</b>					
WEATHERIZATION AGENCIES	1,086,583.00	251,100.00	989,881.00	57,348.00	2,384,912.00
<b>TOTAL PROGRAM EXP</b>	\$ 1,086,583.00	\$ 251,100.00	\$ 989,881.00	\$ 57,348.00	\$ 2,384,912.00
<b>ADMIN. EXPENSES</b>					
ACCOUNTING FEES	789.65	537.36	563.85	144.14	2,035.00
<b>TOTAL ADMIN EXP</b>	\$ 789.65	\$ 537.36	\$ 563.85	\$ 144.14	\$ 2,035.00
<b>NET REV. OVER (UNDER) EXP</b>	\$ 53,234.70	\$ 11,780.55	\$ (39,920.96)	\$ 47,621.07	\$ 72,715.36

SEE ACCOUNTANT'S COMPILATION REPORT  
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