361st MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri

September 21, 2023
10:00 a.m.

Amended Agenda

Join WebEx Meeting

Teleconference Call Number: **1-650-479-3207**
WebEx Meeting Number (Access Code): **2633 209 6536**
Meeting Password: **jvPUJhKz563**

1. Call to Order

2. Approval of Minutes

   A. Approval of the Minutes from the 360th Open WebEx Meeting of the Authority held August 23, 2023, in Jefferson City, Missouri
   B. Approval of the Minutes from the 360th Closed WebEx Meeting of the Authority held August 23, 2023, in Jefferson City, Missouri

3. Presentation of Fiscal Year 2023 Audit

4. Missouri Market Development Program

   A. Program Update
   B. Consideration of the Funding Recommendation for the Kessler Containers Ltd. Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority
   C. Consideration of the Funding Recommendation for the Printerior LLC Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority
   D. Consideration of the Funding Recommendation for the Service Recycling, LLC Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority
   E. Other

5. Brownfields Revolving Loan Fund

   A. Program Update
   B. Consideration and Approval of the Funding Recommendation for the Boonslick Community Development Corporation Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority

C. Consideration and Approval of the Funding Recommendation for the City of Excelsior Springs Project and Authorizing the Director or Designee to Enter Into an Agreement on Behalf of the Authority
D. Other

6. Memorandum of Agreement with Coalition for Green Capital

7. Solar For All Update

8. Other Business

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

9. Closed Meeting Pursuant to Section 610.021(1), (11) and (12) RSMo. (as needed)

10. Adjournment of Closed Meeting and Return to Open Meeting

11. 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), (11) and (12) RSMo.

Members to be Present:	Caleb Arthur, Chair Mary Fontana Nichols, Vice Chair Deron Cherry, Treasurer, Assistant Secretary Nancy Gibler, Secretary
Staff to be Present:	Joe Boland, Executive Director Mark Pauley, Deputy Director Kristin Allan Tipton, Development Director Angie Powell, Missouri Market Development Director Cathy Schulte, Fiscal Manager Genny Eichelberger, Office Support Assistant
Legal Counsel to be Present:	David Brown, Lewis Rice LLC

MINUTES OF THE 360TH MEETING OF THE
STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY
EIERA Office
425 Madison Street, Second Floor
Jefferson City, Missouri

WebEx/In Person Meeting
August 23, 2023
10:00 a.m.

EIERA MEMBERS:	Caleb Arthur, Chair Mary Fontana Nichols, Vice Chair Nancy Gibler, Secretary
EIERA STAFF:	Joe Boland, Executive Director Mark Pauley, Deputy Director Genny Eichelberger, Office Support Assistant
LEGAL COUNSEL:	David Brown Lewis Rice LLC
OTHER PARTICIPANTS:	Khalen Dwyer Columbia Capital Management, LLC Tom Liu Eric Cowan BofA Securities, Inc. Rob Mellinger Citigroup Global Markets Inc. Eli Stern Lucas Jackson Ernst & Young Josh Youngblood Missouri Public Utility Alliance

(AGENDA ITEM #1) CALL TO ORDER

Chair Arthur called the 360th meeting of the State Environmental Improvement and Energy Resources Authority (the "Authority") to order at 10:00 AM. Chair Arthur took roll call and asked that the meeting record reflect a quorum was present via WebEx video conference.

(AGENDA ITEM 2) APPROVAL OF MEETING MINUTES

(AGENDA ITEM #2A) APPROVAL OF 359TH OPEN TELECONFERENCE MEETING MINUTES (JUNE 29, 2023)

The next order of business was to review and approve the open meeting minutes of the 359th meeting (June 29, 2023) of the Authority.

> **MOTION:** Motion was made by Ms. Fontana Nichols and seconded by Ms. Gibler to approve the minutes of the 359th meeting of the Environmental Improvement and Energy Resources Authority. By roll call vote, Ms. Fontana Nichols, Ms. Gibler and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #3) OTHER BUSINESS

(AGENDA ITEM #3A) OPPORTUNITY FOR PUBLIC COMMENT (LIMIT OF FOUR MINUTES PER INDIVIDUAL)

Chair Arthur asked if anyone would like to make a public comment at this time. There were no comments.

(AGENDA ITEM #3B) NEXT MEETING DATE

Mr. Boland stated that the next meeting would most likely be held in September 2023.

(AGENDA ITEM #3C) OTHER

There was no other business to be discussed.

(AGENDA ITEM #4) CLOSED MEETING PURSUANT TO SECTION 610.021 (12) RSMO

> **MOTION:** Motion was made by Ms. Gibler and seconded by Ms. Fontana Nichols to close the meeting to discuss documents related to a negotiated contract pursuant to Section 610.021 (12) Revised Statutes of Missouri. By voice vote, Ms. Gibler, Ms. Fontana Nichols and Chair Arthur all voted in favor. Motion carried.

(AGENDA ITEM #5) **ADJOURNMENT OF CLOSED MEETING AND RETURN TO OPEN MEETING**

(AGENDA ITEM #6) **ADJOURNMENT OF OPEN MEETING**

Mr. Boland announced that after discussion and review of the bids to assist the Authority with the Solar for All application, Guidehouse Inc. had been awarded the contract. He thanked Mr. Stern and Mr. Jackson for the work they did on behalf of Ernst & Young and stated that he appreciated all of the firms for submitting their proposals.

There being no further business to come before the Board, there was a motion to adjourn.

> **MOTION:** Motion was made by Ms. Gibler and seconded by Ms. Fontana Nichols to adjourn the meeting. By roll call vote, Ms. Gibler, Ms. Fontana Nichols and Chair Arthur all voted in favor. Motion carried.

Respectfully submitted,

(SEAL)

____
Chair of the Authority

____
Secretary of the Authority

State Environmental Improvement and Energy Resources Authority
361st Board Meeting
September 21, 2023

Agenda Item #3
PRESENTATION OF AUTHORITY AUDIT

Issue:

Review of the Fiscal Year 2023 Audit.

Action Needed

No action needed.

Staff Recommendation:

No action needed.

Staff Contact:

Joe Boland and Cathy Schulte

Background:

The Authority's auditors, Williams-Keepers, LLC, began reviewing our records in August and finalized the audit in mid-September. The final audit report including Financial Statements are attached. There were no findings or material weaknesses identified during the audit process.

Amanda Schultz, the Audit Partner assigned to the EIERA, will attend the meeting to present the audit and answer any questions.

JB:ge

Attachments

SUMMARY REPORT OF

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

JUNE 30, 2023

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

September 18, 2023

Members of the Board of the
State Environmental Improvement and
Energy Resources Authority

We appreciate the opportunity to assist the members of the Board of the State Environmental Improvement and Energy Resources Authority (the Authority) in its governance and oversight function by providing annual audit services. Our audit reports for the year ended June 30, 2023, have been provided to management and include the following:

Financial Statements

This document contains the Authority's annual financial statements for the fiscal year ended June 30, 2023, along with our report on those financial statements.

Highlights are as follows:

- We issued an "unmodified" or a "clean" opinion on the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Authority as of June 30, 2023, and the respective changes in its financial position for the year then ended in conformity with generally accepted accounting principles (GAAP).

- Management is responsible for the preparation and fair presentation of the financial statements, including the design and implementation of internal control.

- We used our judgment in determining how to audit the Authority. We focused our attention on areas where the financial statements could be misstated.

- We evaluated the appropriateness of accounting policies, the reasonableness of significant accounting estimates, and the overall financial statement presentation.

- The financial statements include two different sets of financial statements:

    - Government-wide financial statements, which are full accrual and include all funds (except fiduciary funds), as well as capital assets and other liabilities.

    - Fund financial statements, which are separated into governmental funds (modified accrual) and fiduciary funds (full accrual).

- The following summarizes the highlights from the government-wide financial statements as of and for the years ended June 30, 2023 and 2022. The Management's Discussion and Analysis (MD&A) in the financial statements discusses the changes in the various categories.

	2023	2022
Total assets	$ 2,752,874	$ 2,988,225
Total deferred outflows	232,139	256,998
Total liabilities	1,189,653	1,154,264
Total deferred inflows	212,610	298,780
Net position	1,582,750	1,792,179
Total revenues	971,185	1,102,035
Total expenses	(1,180,614)	(1,395,280)
Change in net position	(209,429)	(293,245)

Auditors' Communication Letter

This letter consists of comments about the audit process and its results that are required under our professional standards to be communicated to an audit or similar committee of the governing board of an organization. For the Authority, the members of the Board serve that role.

Highlights are as follows:

- We noted no transactions that we considered both unusual and significant.

    - GASB 91, *Conduit Debt Obligations,* was implemented during fiscal year 2023.

    - GASB 96, *Subscription-Based Information Technology Arrangements,* will be implemented during fiscal year 2024.

- We evaluated the estimates affecting the financial statements and found them reasonable in relation to the financial statements as a whole.

- The financial statement disclosures are neutral, consistent, and clear. All required disclosures are included.

- We found the accounting records to be in good order and we did not propose any significant or material adjustments as a result of our audit procedures.

- We had no disagreements with management on accounting or auditing issues, we had no difficulties in performing our audit, and we felt we received full cooperation from the Authority's staff.

- Although the scope of our engagement was not directed towards an opinion on internal control, we did not identify any material weaknesses in internal control as a result of our audit procedures.

Market Development Program Schedule

- We issued an “unmodified” or a “clean” opinion on the Schedule of Missouri Market Development Program – Financial Assistance Awards (the Schedule). In our opinion, the Schedule presented fairly, in all material respects, such program awards of the Authority from inception through June 30, 2023, in conformity with the cash basis of accounting.

We wish to thank the Authority’s personnel for their cooperation and assistance during our audit. The information in this audit report is intended solely for the use of the Board and management of the Authority.

We appreciate the opportunity to be of service.

Sincerely,

Williams Keepers LLC

WILLIAMS-KEEPERS LLC

REPORT OF

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

JUNE 30, 2023

STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY

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WILLIAMS KEEPERS LLC
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INDEPENDENT AUDITORS' REPORT

Members of the Board of the
State Environmental Improvement and
Energy Resources Authority

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of the State Environmental Improvement and Energy Resources Authority (the Authority) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority as of June 30, 2023, and the respective changes in financial position for the year then ended, in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis, the budgetary comparison schedules, the pension plan schedules, and the other post-employment benefit plan (OPEB) schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, such information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Williams Keepers LLC

Jefferson City, Missouri
September 18, 2023

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023

The following Management's Discussion and Analysis (MD&A) of the State Environmental Improvement and Energy Resources Authority's (the Authority) financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2023. The information contained in the MD&A should be considered in conjunction with the information presented as part of the Authority's basic financial statements. Following this MD&A are the basic financial statements of the Authority with the notes thereto which are essential to a full understanding of the data contained in the financial statements. The Authority's basic financial statements have the following components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

The government-wide financial statements are designed to provide the readers with a broad overview of the Authority's finances in a manner similar to a private-sector business. The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The statement of activities presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods. The government-wide financial statements present information about the Authority as a whole. All of the activities of the Authority are considered to be governmental activities.

Governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Authority's programs.

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

CONDENSED FINANCIAL INFORMATION

The following condensed financial information is presented from the Authority's government-wide financial statements:

Summary of Net Position as of June 30, 2023 and 2022

	2023	2022
Current and other assets	$ 2,616,459	$ 2,812,853
Capital assets, net	136,415	175,372
Total assets	2,752,874	2,988,225
Total deferred outflows of resources	232,139	256,998
Total liabilities	1,189,653	1,154,264
Total deferred inflows of resources	212,610	298,780
Net position		
Net investment in capital assets	1,106	1,934
Restricted for market development programs	352,390	352,895
Restricted for Brownfields program	617,343	616,931
Unrestricted	611,911	820,419
Total net position	$ 1,582,750	$ 1,792,179

Summary of Changes in Net Position from Operating Results
for the Years Ended June 30, 2023 and 2022

	2023	2022
Program revenues:		
General operations	$ 290,301	$ 132,618
Market development	623,675	968,987
Missouri Brownfields Revolving Loan Fund	5,795	3,002
General revenues:		
Investment return	47,754	(4,247)
Other	3,660	1,675
Total revenues	971,185	1,102,035
Expenses:		
Personnel services	595,888	337,613
Contractual services	387,501	843,027
Other operating costs	196,397	213,909
Depreciation	828	731
Total expenses	1,180,614	1,395,280
Change in net position	(209,429)	(293,245)
Net position, beginning of year	1,792,179	2,085,424
Net position, end of year	$ 1,582,750	$ 1,792,179

For the year ended June 30, 2023, net position decreased by $209,429, from $1.79 million to $1.58 million. This was a combination of total assets and deferred outflows of resources decreasing by $260,210 or 8.0% from the prior year and total liabilities and deferred inflows of resources decreasing by $50,781 or 3.5% from the prior year.

In fiscal year 2023, the Authority's total net pension liability increased by $131,566 from $684,024 to $815,590. The Authority's net OPEB liability decreased by $62,234 from $245,621 to $183,387. Deferred outflows changed overall by a net decrease of $24,859 and deferred inflows changed overall by a net decrease of $86,170. These changes are due to fluctuations in the Authority's pension and OPEB plans.

Revenue from general operations increased by $157,683 or 118.9% from $132,618 to $290,301. This increase is primarily due to the fact that there were two new bonds issued in fiscal year 2023 compared to the previous fiscal year, when the Authority closed on zero transactions. Another factor was an increase in the amount of SRF reimbursement due to the hiring of the deputy director position. Revenue from the Market Development Program decreased by $345,312 or 35.6% from the previous year as a result of several award recipients not moving forward during the current fiscal year with their projects, resulting in a decrease in Market Development funds being drawn. The Brownfields Program saw little activity as the program continues to wind down. Staff have identified two projects that may move forward in the next fiscal year that could obligate the balance of the program funds.

For the year ended June 30, 2023, investment return was $47,754, as result of realized and unrealized gains of $33,876 and interest income of $13,572 during the year. The Authority reports investments at fair value in the financial statements, with changes in fair value (i.e., unrealized gains or losses) reported as an item of revenue or expense based on the fair value of investments as of year end. Such gains or losses are not actually realized until the investments are sold or mature and are based on the fair value as of the sale or maturity date.

Total revenues for the year decreased by $130,850 or 11.9%. As a percent of total revenues, general operations revenue increased from approximately 12.0% of total revenues in fiscal year 2022 to 29.9% in fiscal year 2023. As a percent of total revenues, market development revenue decreased from 87.9% in fiscal year 2022 to 64.2% in fiscal year 2023.

Total expenses for fiscal year 2023 decreased by $214,666 or 15.4% over those of the prior year, primarily due to fewer project expenditures in the Market Development Program.

FINANCIAL ANALYSIS OF FUNDS

Total fund balances for the governmental funds increased to $2,561,091 from the prior year total of $2,489,072, reflecting an increase of $72,019. This was primarily due to an increase in investment performance, a direct result of higher interest rates available. A slight increase in accounts receivable from fiscal year 2022 is also a contributing factor.

The Market Development Program's revenues decreased by $345,312 or 35.6% in fiscal year 2023. Decreased activity in the program, which operates primarily on a reimbursement basis, is largely due to a decrease in project expenditures from recipients as they move forward with their projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

The Authority maintains certain furnishings and office equipment for its corporate purposes. As of June 30, 2023, the Authority had net capital assets of $136,415 compared to $175,192 as of June 30, 2022. This decrease was primarily due to the implementation of GASB 87 during fiscal year 2022 and the amortization of the related financing lease right-of-use asset during fiscal year 2023.

The Authority has long-term debt related to a financing lease in the amount of $96,036 as of June 30, 2023, compared to $135,308 as of June 30, 2022, which was also due to the implementation of GASB 87 during fiscal year 2022 and the related payments made on the lease during fiscal year 2023. The Authority does issue tax-exempt bonds on behalf of public entities, political subdivisions of the State of Missouri and public and private companies to finance certain eligible projects. These bonds are considered to be non-recourse conduit debt obligations and, as such, are not included in the Authority's financial statements. As of June 30, 2023, approximately $543 million of these bonds were outstanding.

BUDGET VARIATIONS

General operations revenue for the Authority continues to be affected by the lack of demand for new-money State Revolving Fund (SRF) bonds, as the SRF Program continues to make direct loans using available program equity. Overall, General Fund revenues exceeded budgeted expectations with a 4.0% variance. Revenue increased for fiscal year 2023 as a result of two bond transactions during the period: one for the SRF program and a very small Private Activity Bond (PAB) for the Raytown Water Company. The Authority continues to expand its work in other areas, many of which are offered as fee for service activities to offset less predictable bond revenues. Overall, General Fund expenditures fell below budgeted expectations with a 9.6% variance. The most significant expenditure that was less than the budgeted amount was in miscellaneous professional fees, showing a positive variance of $55,850. This was primarily due to the fact that staff coded contractual expenses differently during fiscal year 2023. Instead of coding to miscellaneous professional fees, these expenses were charged to legal fees-SRF or legal fees-general. There were not any significant expenditures in excess of budget.

Revenues and expenditures for the Market Development Program were considerably lower than budgeted. Revenues and expenditures are budgeted based on the total project funds available plus a reasonable amount of unexpended funds carried over from previous awards; however, all project funds may not be awarded that year and those awarded may not be expended in that fiscal year.

Revenues for the Brownfields Revolving Loan Program were higher than budgeted, but expenditures for the program were considerably lower than budgeted. Revenues and expenditures are budgeted based on all available project funds being awarded. The federal grant for this program expired in fiscal year 2020, so the activity has been minimal in the last two fiscal years.

ECONOMIC FACTORS AND SUBSEQUENT EVENTS

Historically, a substantial portion of the Authority's annual revenues are derived from fees related to bond issuances under the SRF Program and the PAB Program. Revenues earned under these bond issuance programs are subject to influences outside the control of the Authority. Annual participation is unpredictable and highly variable as was evidenced during the past several fiscal years.

The SRF Program has sufficient equity to manage current cash needs. Until demand increases, SRF issuances will continue to be smaller in size, and be less frequent than in the past and, consequently, lower revenues are anticipated for future years. The SRF Program will need a State match for its Clean Water capitalization grant in fiscal year 2024, so a small SRF bond transaction is planned for early in the fiscal year.

The Authority is also applying for a large federal grant that could provide low-cost capital to jump start an energy infrastructure bank. The results of the application will be known sometime in fiscal year 2024.

Public interest in water and wastewater infrastructure construction appears to remain at current levels. Future federal appropriations for the SRF Program are likely to increase substantially as outlined in current infrastructure spending bills.

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

STATEMENT OF NET POSITION
June 30, 2023

ASSETS	
Cash	$ 1,079,483
Investments	1,412,415
Accounts and grants receivable	115,914
Accrued interest	3,647
Prepaid and other assets	5,000
Capital assets:	
Depreciable, net	1,106
Right of use asset, net	135,309
Total assets	2,752,874
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	189,254
OPEB related	42,885
Total deferred outflows of resources	232,139
LIABILITIES	
Accounts payable	5,625
Accrued liabilities	49,743
Net pension liability	815,590
Net OPEB liability	183,387
Financing lease:	
Amounts due within one year	39,272
Amounts due beyond one year	96,036
Total liabilities	1,189,653
DEFERRED INFLOWS OF RESOURCES	
Pension related	32,458
OPEB related	180,152
Total deferred inflows of resources	212,610
NET POSITION	
Net investment in capital assets	1,106
Restricted for market development programs	352,390
Restricted for Brownfields program	617,343
Unrestricted	611,911
Total net position	$ 1,582,750

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

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

		Program Revenues		Net Revenue (Expense) and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	
General operations	$ 595,745	$ 290,301	$ -	$ (305,444)
Market development	579,486	-	623,675	44,189
Missouri Brownfields:				
Revolving Loan Fund	5,383	-	5,795	412
Total governmental activities	$ 1,180,614	$ 290,301	$ 629,470	(260,843)
General revenues:				
Investment return				47,754
Other				3,660
Total general revenues				51,414
Change in net position				(209,429)
Net position, beginning of year				1,792,179
Net position, end of year				$ 1,582,750

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

STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	Major Funds			
	General	Market Development Program	Missouri Brownfields Revolving Loan Fund	Total Governmental Funds
ASSETS				
Cash	$ 101,358	$ 357,711	$ 620,414	$ 1,079,483
Investments	1,412,415	-	-	1,412,415
Accounts and grants receivable	50,433	65,481	-	115,914
Accrued interest	3,647	-	-	3,647
Due from other funds	63,874	1,686	-	65,560
Prepaid and other assets	5,000	-	-	5,000
Total assets	$ 1,636,727	$ 424,878	$ 620,414	$ 2,682,019
LIABILITIES				
Accounts payable	$ 943	$ 4,667	$ 15	$ 5,625
Accrued liabilities	44,426	5,317	-	49,743
Due to other funds	-	62,504	3,056	65,560
Total liabilities	45,369	72,488	3,071	120,928
FUND BALANCES				
Nonspendable - prepaid assets	5,000	-	-	5,000
Restricted for market development programs	-	352,390	-	352,390
Restricted for Brownfields program	-	-	617,343	617,343
Unassigned	1,586,358	-	-	1,586,358
Total fund balances	1,591,358	352,390	617,343	2,561,091
Total liabilities and fund balances	$ 1,636,727	$ 424,878	$ 620,414	$ 2,682,019

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

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2023

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds		$ 2,561,091
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	62,022	
Right of use asset - financing lease	198,358	
Less accumulated depreciation and amortization	(123,965)	
Capital assets, net		136,415
Deferred outflows of resources are not financial resources and, therefore, are not reported in the governmental funds:		
Deferred outflows of resources - pension contributions	94,253	
Deferred outflows of resources - pension other	95,001	
Deferred outflows of resources - OPEB contributions	14,083	
Deferred outflows of resources - OPEB other	28,802	
Total deferred outflows of resources		232,139
Long-term liabilities, including deferred inflows of resources, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds:		
Net pension liability	(815,590)	
Net OPEB liability	(183,387)	
Deferred inflows of resources - pension related	(32,458)	
Deferred inflows of resources - OPEB related	(180,152)	
Financing lease	(135,308)	
Total long-term liabilities		(1,346,895)
Net position of governmental activities		$ 1,582,750

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

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For the Year Ended June 30, 2023

	Major Funds			
	General	Market Development Program	Missouri Brownfields Revolving Loan Fund	Total Governmental Funds
REVENUES				
General operations	$ 335,301	$ -	$ -	$ 335,301
Market development intergovernmental revenue	-	623,675	-	623,675
Brownfields loan repayments, including interest payments of $678	-	-	278,394	278,394
Investment return	47,448	306	-	47,754
Other	3,660	-	-	3,660
Total revenues	386,409	623,981	278,394	1,288,784
EXPENDITURES				
Personnel services	471,273	159,551	2,043	632,867
Contractual services	-	384,192	3,309	387,501
Operating expenditures	115,623	80,743	31	196,397
Total expenditures	586,896	624,486	5,383	1,216,765
Net change in fund balances	(200,487)	(505)	273,011	72,019
Fund balances, beginning of year	1,791,845	352,895	344,332	2,489,072
Fund balances, end of year	$ 1,591,358	$ 352,390	$ 617,343	$ 2,561,091

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

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		$ 72,019
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation or amortization expense. The following is the detail of the amount by which capital outlays were greater than depreciation and amortization expense in the current period.		
Depreciation and amortization expense	(38,957)	
		(38,957)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Pension expense	(34,205)	
OPEB expense	26,184	
		(8,021)
The issuance of financing leases provides current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources of governmental funds. The following is the detail of the net effect of these differences in the treatment of financing leases and related items.		
Repayment of principal	38,129	
		38,129
Governmental funds report long-term loan repayments as revenues, which are not reported as revenues in the statement of activities:		
Brownfields loan repayments		(272,599)
Change in net position of governmental activities		$ (209,429)

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

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2023

	Total Custodial Funds
ASSETS	
Cash	$ 2,196,611
Total assets	2,196,611
NET POSITION	
Amount held for others	2,196,611
Total net position	$ 2,196,611

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

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended June 30, 2023

	Total Custodial Funds
ADDITIONS	
Utility payments	$ 626,500
Management payments	12,500
Investment return	3,638
Total additions	642,638
DISBURSEMENTS	
Distributions to others	166,630
Administrative expenses	73,434
Total deductions	240,064
Change in net position	402,574
Net position, beginning of year	1,794,037
Net position, end of year	$ 2,196,611

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

STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

1. BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES

Background and purpose: The State Environmental Improvement and Energy Resources Authority (the Authority), created in 1972, is an independent, self-supporting, quasi-governmental agency, governed by a five-member Board appointed by the Governor of the State of Missouri (the State). The Authority is administratively placed in the Missouri Department of Natural Resources. The State's accountability for the Authority does not extend beyond making the Board appointments.

Due to the special independent status as "a body corporate and politic," the Authority is authorized to finance, acquire, construct and equip projects for the purpose of reducing, preventing or controlling pollution and to provide for the development of energy resources of the State. The usual method of financing is through the issuance of tax-exempt revenue bonds and notes. The Authority receives fees for services provided in the issuance process.

The Authority is also empowered to conduct environmental and energy research and development activities, develop alternative methods of financing environmental and energy projects, and assist Missouri communities, organizations, and businesses in obtaining low-cost funds and other financial assistance for projects related to the Authority's purposes.

The Authority has also been mandated by the General Assembly (RSMo 260.005 through 260.125) to implement a number of projects in cooperation with the Department of Natural Resources and the Department of Economic Development, including administering the Missouri Market Development Program, which provides market development assistance through technical and financial support to businesses and organizations that develop marketable end-products from recycled materials. Funding for this program is provided through the Solid Waste Management Fund created by Senate Bill 530, passed in 1990 and subsequently amended.

The Authority, in cooperation with the Department of Natural Resources and other agencies, established and operates the State Revolving Fund (SRF), which provides financing to communities and districts for construction of clean water and drinking water projects.

The Authority is also a provider of technical research for the State. Studies have been requested by the General Assembly and have been conducted on numerous energy and environmental issues, including energy usage and efficiency and solid and hazardous waste. Partnerships have also been created with entities, both public and private, to promote and educate Missouri's citizens on a variety of environmental and energy related topics.

The Authority 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 Authority does not meet the qualification for blending.

The basic financial statements of the Authority include all of the funds relevant to the operations of the Authority. The financial statements presented herein do not include agencies that have been formed under applicable state laws or separate and distinct units of government apart from the Authority that have been determined not to be component units.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading if excluded.

As required by generally accepted accounting principles, the Authority has evaluated the above criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements. The Authority does not have any component units that meet the above criteria.

Basis of presentation: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report the overall information on the Authority without displaying individual funds. These statements exclude information about fiduciary activities where the Authority holds assets in an agency capacity for others since these funds cannot be used to support the Authority's own programs. The effect of interfund activities has also been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Investment income 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 fiduciary funds, although the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Authority 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 segregating 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 three categories – governmental, proprietary, and fiduciary.

The Authority reports the following major governmental funds:

> General Fund – The General Fund is the general operating fund of the Authority. It is used to account for all financial resources and activities of its basic operations except those required to be accounted for in another fund.
>
> Market Development Program Fund (Special Revenue Fund) – The Market Development Program Fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. This fund specifically accounts for activities of the Missouri Market Development Program as described in Note 6.
>
> Missouri Brownfields Revolving Loan Fund (Special Revenue Fund) – The Missouri Brownfields Revolving Loan Fund is used to administer grant awards and cooperative agreements to states, political subdivisions, and tribes as described in Note 6.

Additionally, the Authority reports the following fiduciary type custodial funds:

Weatherization Program Fund – This custodial fund is used to account for the flow of funds from Ameren Gas, Ameren UE, Empire Electric, Empire Gas, Liberty Utilities, and Spire Inc. to recipient weatherization agencies within each company's service area as further described in Note 7.

Natural Resources Damages Program Fund – This custodial fund is used to account for the flow of settlement funds used to acquire, rehabilitate and/or preserve natural resources as further described in Note 7.

Basis of accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

The governmental fund and fiduciary funds financial statements are presented 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. As such, the Authority recognizes revenue on application fees when received since the fees are nonrefundable and the earnings process is complete in a short period of time.

The Authority recognizes revenue on issuance fees at the time of issuance of the related bonds since, until actual issuance, the amount or the certainty of receiving the issuance fee is not determinable. The Authority considers revenues to be available if they are collected within 90-days of the end of the current fiscal period. Expenditures related to bond issuances are recognized when incurred as there is no reasonable method of allocating them to issuance revenues because of the above-mentioned uncertainties. Grant revenues are recognized when reimbursable grant expenditures are made.

The Authority's general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Sometimes the Authority will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Investments: State statutes and legal opinions authorize the Authority to invest in certain types of investments including, but not limited to, certificates of deposit, U.S. Treasury and federal agency securities, and obligations of the state of Missouri. The Authority reports investments at fair value in the financial statements, with changes in fair value reported as an item of revenue or expense in the statement of revenues, expenditures, and changes in fund balances. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or a liquidation sale.

Advances and loans receivable: Advances and loans receivable consist of advances and loans made to participants under the Brownfields Revolving Loan Fund Program. Management assesses the allowance for estimated uncollectible accounts on a loan-by-loan basis. All advances and loans are deemed fully collectible as of June 30, 2023.

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.

Other post-employment benefits (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported. For this purpose, employer contributions are recognized as revenue when due and payable. Benefits are recognized when due and payable in accordance with the terms of the plan.

Deferred outflows/inflows of resources: In addition to assets, the statement of financial 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 future periods and so will not be recognized as an outflow of resources until then. Items that qualify for reporting in this category include pension contributions and other related activity in connection with the pension and OPEB plans.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources until that time. Items that qualify for reporting in this category include activity in connection with the pension and OPEB plans.

Equity: In the governmental funds' financial statements, fund balance is displayed in five components as follows:

Nonspendable – This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are constrained to specific purposes by their providers, through constitutional provisions, or by enabling legislation.

Committed – This consists of amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (the Board of Directors). The Board of Directors can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

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 Board of Directors can assign fund balance; 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 the General Fund.

The Authority did not have any committed or assigned fund balance as of June 30, 2023.

In the government-wide financial statements, net position 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 amounts that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of net amounts that do not meet the definition of "net investment in capital assets" or "restricted."

Conduit debt obligations: Notes and bonded indebtedness issued by the Authority to pay for the costs of projects which provide for the conservation of air, land and water resources, and reduce the pollution thereof, and for proper methods of disposing of solid waste materials are not liabilities of the Authority or the State but are the liability of the organization to which title of the project passes. Accordingly, such conduit debt obligations are not reported as liabilities in the accompanying statement of net position. As of June 30, 2023, the aggregate principal amount of such obligations payable totaled approximately $543 million.

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 and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent events: Events that have occurred subsequent to June 30, 2023, have been evaluated through September 18, 2023, which represents the date the Authority's financial statements were approved by management and therefore were available to be issued.

2. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of investments or collateral securities that are in possession of the outside party. As of June 30, 2023, no investments were uninsured and unregistered, and all securities were held by the counterparty or by its trust department or agent in the Authority's name.

The Authority's deposits consist of cash and investments on deposit with various financial institutions. As of June 30, 2023, the carrying amount of the Authority's deposits was $2,491,898.

As of June 30, 2023, the Authority's bank balance was exposed to custodial credit risk as follows:

Bank balance	
Amount insured by the Federal Deposit Insurance Corporation (FDIC)	$ 251,000
Amount collateralized with securities held by financial institutions pledged in the Authority's name	2,263,730
Total bank balance	$ 2,514,730

As required by State law, the depository bank is to pledge securities in addition to FDIC coverage to equal the amount on deposit at all times. As of June 30, 2023, all deposits were fully collateralized.

Investment Policy

State statutes and legal opinions authorize the Authority to invest in certain types of investments including, but not limited to, certificates of deposit, U.S. Treasury and federal agency securities, and obligations of Missouri.

Investments were as follows as of June 30, 2023:

U.S. government and agency securities	$ 1,169,576
U.S. Treasury notes	242,839
	$ 1,412,415

Investment return consists of the following for the year ended June 30, 2023:

Interest	$ 13,878
Realized and unrealized gains	33,876
	$ 47,754

Concentration of Credit Risk

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue. As of June 30, 2023, the Authority held no single issue exceeding 5% of the portfolio.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Authority. As of June 30, 2023, all U.S. government and agency securities were guaranteed by the federal government.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of a debt instrument's exposure to a change in interest rates and the related sensitivity of market price to parallel shifts in the yield curve. It uses the present value of cash flows as a percentage of the instruments' full price. The Authority's interest rate risk is mitigated through the duration of investments outlined in its investment policy.

Foreign Currency Risk

In accordance with its investment policy, the Authority did not hold any foreign investments or currency as of June 30, 2023.

3. FAIR VALUE MEASUREMENTS

For assets and liabilities required to be reported at fair value, U.S. 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 Authority 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 Authority'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 Authority's assets and liabilities measured at fair value on a recurring basis as of June 30, 2023, aggregated by the level in the fair value hierarchy within which those measurements fall, are as follows:

Description	Total	Level 1	Level 2	Level 3
U.S. government and agency securities	$ 1,169,576	$ -	$ 1,169,576	$ -
U.S. Treasury notes	242,839	-	242,839	-
	$ 1,412,415	$ -	$ 1,412,415	$ -

4. CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2023 is as follows:

	Beginning balance	Additions	Disposals	Ending balance
Office furniture and equipment	$ 62,022	$ -	$ -	$ 62,022
Right of use asset - financing lease	198,358	-	-	198,358
	260,380	-	-	260,380
Less: accumulated depreciation/ amortization	(85,008)	(38,957)	-	(123,965)
Capital assets, net	$ 175,372	$ (38,957)	$ -	$ 136,415

5. FINANCING LEASE

The Authority has entered into a lease agreement for its office space through October 31, 2026, with payments due monthly. See Note 4 for additional information regarding the right of use asset related to this financing lease. The following is a schedule of the future minimum lease payments under the financing lease for the years ending June 30:

2024	$ 39,276
2025	40,452
2026	41,664
2027	13,916
Total	$ 135,308

6. PROGRAMS

The Authority conducts a variety of programs, which include the following:

State Revolving Fund Program

The Missouri State Revolving Fund (SRF) Program was initiated cooperatively by the Authority and the Missouri Department of Natural Resources (DNR) in November 1987. The SRF Program was developed pursuant to Title VI of the Clean Water Act and was formally approved in 1990 by the Missouri Clean Water Commission and the U.S. Environmental Protection Agency (EPA). Amendments to the federal Safe Drinking Water Act in 1996 authorized a drinking water revolving loan program. Missouri developed its program and corresponding regulations around the Clean Water program. The new program was approved by the Missouri Safe Drinking Water Commission and the EPA.

The SRF Program is primarily a low-interest loan program; however, federal appropriations have also provided for subgrants beginning in 2009 with the American Recovery and Reinvestment Act. The program provides funding to communities for water and wastewater infrastructure at subsidized interest rates. Currently, interest rates are approximately 30% of tax-exempt municipal rates. Loans are amortized over a maximum of 20 years. In certain situations, loans are amortized over a maximum of 30 years (with incremental interest rates). The monies in the fund can be reloaned or revolve in perpetuity for the benefit of other communities.

The SRF Program is funded through a combination of federal capitalization grants (83.33%) and State matching funds (16.67%). Historically, the State match for the Clean Water program was funded through the sale of general obligation Water Pollution Control Bonds, while the match for the Drinking Water program came from appropriated general revenue. Currently, the State match for both programs is provided primarily through the sale of matching bonds issued by the Authority.

Missouri Market Development Program

Pursuant to Senate Bill 530, Section 260.335, in March 1992, the Authority entered into an interagency agreement with the DNR and the Missouri Department of Economic Development to promote markets for recycled materials and to provide financial assistance for businesses which use recycled materials in making new products. The statute provides $800,000 from solid waste tipping fees for the program annually; however, appropriations can vary from year to year. Solid waste tipping fees are a per ton fee levied on solid waste disposed at landfills and transported out of state for disposal through transfer stations.

The Authority's Market Development Program Fund is reimbursed by DNR for Authority program expenses. The Market Development Program Fund reimburses the Authority for staff time and overhead expenses incurred on behalf of the program. Such amounts totaled $45,000 for fiscal year 2023 and are included in the statement of revenues, expenditures, and changes in fund balances – governmental funds in the Market Development Program Fund as both market development intergovernmental revenue and operating expenditures and in the General Fund as general operations revenues.

Missouri Brownfields Revolving Loan Fund

The Brownfields Revolving Loan Program is an EPA initiative under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, 42 U.S.C. Section 9601) as amended by the Small Business Relief and Brownfields Revitalization Act. Under the program, funds are made available through grant awards and cooperative agreements to states, political subdivisions, and tribes. These grant funds are to provide for the establishment, administration/management and funding of a revolving loan and sub-grant program to clean up contaminated properties known as brownfields. The EPA defines brownfields as real property for which the expansion, redevelopment, or re-use may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

The State's program is a cooperative effort between the EPA, the Authority, and the DNR. An initial grant of $1,000,000 was awarded by the EPA in late 2005, with supplemental awards in 2011, 2013, 2014, and 2016 providing an additional $2,500,000 in federal funds. The Authority is providing the required matching funds for these awards. A second grant of $1,160,000 was awarded through the American Recovery and Reinvestment Act in 2010.

The 2005 program is funded through a combination of federal grants (83.33%) and Authority matching funds (16.67%), whereas the 2010 program is fully federally funded. The program enables participants to borrow cleanup funds for relatively short periods of time at low interest rates. In limited, exceptional circumstances, sub-grant funds may be available to eligible entities. Loan repayments will be made available to loan to additional applicants.

All federal grant funding expired in July 2020.

7. FIDUCIARY TYPE CUSTODIAL FUNDS

<u>Weatherization Program</u>

On July 16, 2002, AmerenUE entered into a Stipulation and Agreement to resolve the issues pending in Case Number EC-2002-1 before the Missouri Public Service Commission. As part of such agreement, AmerenUE agreed to create a Weatherization Fund for its low-income electric utility customers. The Weatherization Fund was to be initially funded with $2,000,000 on September 1, 2002, and additional contributions of $500,000 made each year for the following four years. A collaborative committee was established to develop plans by which the fund would be utilized.

The collaborative committee, consisting of staff of the Public Service Commission, Office of Public Counsel, AmerenUE, and the DNR/Division of Energy (DE), determined the funds would be deposited into an account established by the Authority (which would act as paying agent) and disbursed to weatherization agencies within the AmerenUE service area. Subsequently, the Authority, the DNR, the Public Service Commission and AmerenUE entered into a Cooperation and Funding Agreement outlining the responsibilities of the DE, the Authority, and AmerenUE relating to program administration.

On October 30, 2017, an agreement with The Empire District Electric Company (Empire Electric) and The Empire District Gas Company (Empire Gas) was established. Empire Electric provided $250,000 for the benefit of its electric customers. Empire Gas provided $71,500 for the benefit of its natural gas space-heating customers.

Annually, on or before October first, Empire remitted a management payment of five (5) percent of its weatherization programs' total annual reported expenditures, not to exceed twelve-thousand five hundred dollars ($12,500), to the Authority for the DE's administration and monitoring of the Weatherization Programs. The Authority was allowed to charge the DE $1,150 for paying agent services and fees relating to the Empire Electric fund and $525 for Empire Gas fund. The Authority's fee was assessed against the $12,500 and the balance transmitted to the DE.

On January 1, 2023, an updated agreement with Empire Electric and Empire Gas was established. Empire Electric will provide $250,000 in annual payments in January of each year for the benefit of its electric customers. Empire Gas will provide $76,500 in annual payments in January of each year for the benefit of its natural gas space-heating customers. Annually, before or in January, Empire shall remit a management payment of five (5) percent of its weatherization programs' total annual reported expenditures, not to exceed twelve-thousand five hundred dollars ($12,500), to the Authority for the DE's administration and monitoring of the Weatherization Programs. The Authority may charge the DE $1,650 for paying agent services and fees.

Annually, in June, Empire Electric will provide an additional $300,000 to the Authority as part of the new agreement, of which no more than five (5) percent, or fifteen thousand dollars ($15,000), may be used by the DE for administration and monitoring. Of this, the Authority may charge the DE $2,010 for paying agent services and fees.

The Authority was required to deposit all payments of the fund into an interest bearing and collateralized account and to disburse funds to the appropriate weatherization agency upon the receipt of a complete and signed disbursement request from the DE. The funds are to be distributed to weatherization agencies in each utility's service territory according to a formula established by the collaborative committee and are to be spent in a manner consistent with the Federal Weatherization Assistance Program as administered by DE.

All weatherization funds are administered in the same manner as described above. Weatherization monies are held in one bank account with each entity's monies accounted for separately. Interest earned is divided on a pro rata basis between each fund based upon its balance at the end of the month. Expenses are allocated between the funds on a pro rata basis according to each utility's annual contribution. Those expenses allocated to Ameren Gas, AmerenUE, Liberty Utilities, and Spire Inc. are paid from that utility's fund. Because of the Authority paying agent fee charged to DE for services and expenses relating to the Empire funds, expenses allocated to Empire will be paid by the Authority.

Funds held by the Authority under the terms of the agreement totaled $703,215 as of June 30, 2023.

Natural Resource Damage Assessment and Restoration Program

The mission of the DNR's Natural Resource Damage Assessment and Restoration (NRD) Program is to restore natural resources damaged as a result of oil spills or hazardous substance releases into the environment. In partnership with affected federal trustee agencies, the NRD Program conducts damage assessments which are the first step toward resource restoration and are used to provide the basis for determining restoration needs that address the public's loss and use of natural resources.

Once the damages are assessed, the NRD Program negotiates legal settlements or takes other legal actions against the responsible parties for the spill or release. Funds collected from these settlements are then used to restore or replace the damaged resources at no expense to the taxpayer.

DNR and certain federal agencies act as Joint Trustees of funds collected from polluters. The funds may be used to purchase property, restore and maintain habitat and protect the resource into the future with a conservation easement; or acquire other land which may be restored, maintained and protected to replace what was lost or damaged. The Joint Trustees solicit participants who will acquire, restore, maintain and protect the land parcels and the natural resources involved with NRD funds. The Joint Trustees determine project priorities and direct the release of funds. The Authority assists the State Trustee by providing paying agent services.

Under a general NRD Memorandum of Understanding and specific Project Work Plans between the State Trustee and the Authority, certain NRD project funds are being held by the Authority which acts as a paying agent. Under the Project Work Plans, the Authority is required to deposit all NRD project funds into a collateralized account and to disburse amounts upon the receipt of a signed Authorization to Pay from the State Trustee. All project funds held by the Authority are accounted for separately by Project Work Plan or Resolution and interest earned is tracked on a pro rata basis between each based upon its balance at the end of the month.

Funds held by the Authority under the terms of the agreement totaled $1,493,396 as of June 30, 2023.

8. COMMITMENTS

The Missouri Market Development Program Financial Assistance Awards are Board-approved and may be drawn upon throughout the agreement term. As of June 30, 2023, $1,482,541 had been approved but not yet distributed.

9. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors and omissions; and workers' compensation claims. The Authority carries commercial insurance for property and theft of assets and workers' compensation. The Authority is self-insured for all other risks of loss.

The Authority had no material unpaid claims, liabilities, or settlements related to any loss in any of the past three years. There were no substantive changes made in the types and amounts of the Authority's insurance coverage during fiscal year 2023.

10. DEFINED BENEFIT PENSION PLAN

Plan description: Benefit eligible employees of the Authority are provided with pensions through the 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 of the Revised Statutes of Missouri grants the authority to establish a defined benefit plan for eligible state and other related agency employees. MOSERS issues an Annual Comprehensive Financial Report (ACFR), 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 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' ACFR.

Contributions: Per Chapter 104.436 of the Revised Statutes of Missouri, 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 4.0 percent of their annual pay. The Authority's required contribution rate for the year ended June 30, 2023 was 22.88 percent of annual payroll, 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 any unfunded accrued liability.

Net pension liability: As of June 30, 2023, the Authority reported a liability of $815,590 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was offset by the fiduciary net position obtained from MOSERS ACFR as of June 30, 2022, to determine the net pension liability.

The Authority's proportion of the net pension liability was based on the Authority's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for MOSERS plan year ended June 30, 2022. At the June 30, 2022 measurement date, the Authority's proportion was 0.01139 percent, a decrease from its proportion of 0.01224 percent as of the June 30, 2021, measurement date.

There were no changes to the benefit terms during the MOSERS plan year ended June 30, 2022, that affected the measurement of total pension liability.

Actuarial assumptions: The total pension liability in the June 30, 2022 actuarial valuation, which is also the measurement date, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.75% to 10.00%, including inflation
Wage inflation	2.25%
Investment rate of return	6.95%, compounded annually, net after investment expenses and including inflation

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study covering the five-year period ended June 30, 2020.

Mortality: Pre-retirement mortality rates were based on the Pub-2010 General Members Below Median Employee mortality table, set back two years for males and set forward one year for females. Mortality was projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020. Post-retirement mortality rates for retirees were based on the Pub-2010 General Members Below Median Healthy Retiree mortality table, scaled by 104%, set back two years for males and set forward one year for females. Mortality projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Members Below Median Contingent Survivor mortality table, set back two years for males and set forward one year for females. Mortality was projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020. Disabled mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table, without mortality projection.

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-estimate 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 adjusting for expected inflation, volatility, and correlations. Best estimates of geometric real rates of return for each major asset class included in the MOSERS target asset allocation based on risk as of June 30, 2022 are summarized in the table below:

Asset Class	Policy Allocation	Long-term Expected Nominal Return*	Long-term Expected Real Return	Weighted Average Long-Term Expected Nominal Return
Global public equities	30.0%	7.7%	5.8%	2.3%
Global private equities	15.0%	9.3%	7.4%	1.4%
Long treasuries	25.0%	3.5%	1.6%	0.9%
Core bonds	10.0%	3.1%	1.2%	0.3%
Commodities	5.0%	5.5%	3.6%	0.3%
TIPS	25.0%	2.7%	0.8%	0.7%
Private real assets	5.0%	7.1%	5.2%	0.3%
Public real assets	5.0%	7.7%	5.8%	0.4%
Hedge funds	5.0%	4.8%	2.9%	0.2%
Alternative beta	10.0%	5.3%	3.4%	0.5%
Private credit	5.0%	9.5%	7.6%	0.5%
Cash and cash equivalents**	-40.0%	0.0%	0.0%	0.0%
	100.0%			
			Correlation/Volatility Adjustment	-0.6%
			Long-Term Expected Net Nominal Return	7.2%
			Less: Investment Inflation Adjustment	-1.9%
			Long-Term Expected Geometric Net Real Return	5.3%

* Long-term expected arithmetic returns of the asset classes at the time of the asset allocation study for each portfolio.

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

Discount rate: The discount rate used to measure the total pension liability was 6.95 percent. 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 Authority's proportionate share of the net pension liability to changes in the discount rate: The following table presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.95 percent, as well as what the Authority's proportionate share of the net pension liability would be if calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate.

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
Authority's proportionate share of the net pension liability	$ 1,020,186	$ 815,590	$ 644,666

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued MOSERS ACFR.

Pension expense: For the year ended June 30, 2023, the Authority recognized pension expense of $130,400.

Deferred outflows of resources and deferred inflows of resources: As of June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 10,392	$ (218)
Changes in assumptions	19,349	-
Net difference between projected and actual earnings on pension plan investments	43,401	-
Changes in proportion and differences between:		
Authority contributions and proportionate share of contributions	21,859	(32,240)
Authority contributions subsequent to the measurement date of June 30, 2022	94,253	-
	$ 189,254	$ (32,458)

The $94,253 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date of June 30, 2022 will be recognized as a reduction of the net pension liability in the Authority's financial statements during the year ending June 30, 2023.

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

Plan year ending June 30:		
2023	$	37,910
2024		(7,881)
2025		(801)
2026		33,315
	$	62,543

Payables to the pension plan: The Authority did not report any payables to MOSERS as of June 30, 2023.

11. OTHER POST-EMPLOYMENT (OPEB) PLAN

Plan description: MOSERS participates as an employer in a cost-sharing, multiple-employer, defined benefit, other post-employment benefits plan, the State Retiree Welfare Benefit Trust (SRWBT), operated by Missouri Consolidated Health Care Plan (MCHCP). Employees may participate at retirement if eligible to receive a monthly retirement benefit from MOSERS. The terms and conditions governing post-employment benefits are vested with the MCHCP Board of Trustees within the authority granted under Chapter 103 of the Revised Statutes of Missouri (2000) as amended (RSMo) 103.003 through 103.178. The SRWBT does not issue a separate stand-alone financial report. Financial activity of the SRWBT is included in the *MCHCP Annual Comprehensive Financial Report* as a fiduciary fund and is intended to present only the financial position of the activities attributable to the SRWBT. Additionally, MCHCP is considered a component unit of the State reporting entity and is included in the State's ACFR.

The plan's financial statements are available on MCHCP's website at www.mchcp.org.

Benefits: The SRWBT was established and organized on June 27, 2008, to provide health and welfare benefits for the exclusive benefit of current and future retired employees of the State and their dependents who meet eligibility requirements, except for those retired members covered by other OPEB plans of the State. MCHCP's three medical plans offer the same basic coverage such as preventative care, freedom to choose care from a nationwide network of primary care providers, specialists, pharmacies and hospitals, usually at a lower negotiated group discount and the same covered benefits for both medical and pharmacy. Benefits are the same in all three plans; other aspects differ such as premium, deductible and out of pocket costs. Retiree benefits are the same as for active employees.

Contributions: Contributions are established and may be amended by the MCHCP Board of Trustees. For the fiscal year ended June 30, 2022, employers were required to contribute 4.34% for the period July 1, 2021 through December 31, 2021 and 4.29% for the period January 15, 2022 through June 30, 2022, of gross active employee payroll. Employees do not contribute to this plan. No payables to MCHCP were outstanding at year end.

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources: As of June 30, 2023, the Authority reported a liability of $183,387 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net OPEB liability was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. As of June 30, 2022, the Authority's proportion was 0.0130%.

For the year ended June 30, 2023, the Authority recognized OPEB expense of ($11,740).

As of June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	$ 7,669	$ (1,811)
Assumption changes	-	(64,589)
Net difference between projected and actual earnings on plan investments	1,669	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	19,464	(113,752)
Authority contributions subsequent to the measurement date of June 30, 2022	14,083	-
	$ 42,885	$ (180,152)

The $14,083 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date of June 30, 2022 will be recognized as a reduction of the net OPEB liability in the Authority's financial statements during the year ending June 30, 2023.

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Plan year ending June 30:	
2024	$ 26,967
2025	26,991
2026	27,085
2027	26,453
2028	22,474
Thereafter	21,380
	$ 151,350

Actuarial assumptions: The collective total OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of January 1, 2022, with updated procedures used to roll forward the total OPEB liability to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Valuation year	July 1, 2021 - June 30, 2022
Actuarial cost method	Entry age normal, level percentage of payroll
Asset valuation method	Market value
Discount rate (blended)	5.50%
Projected payroll growth	4.00%
Inflation rate	3.00%
Health care cost trend rate (medical & prescription drugs combined):	
Non-Medicare	6.50% for fiscal years 2023 through 2025 (rate decreases by 0.25% per year to an ultimate rate of 5.00% in fiscal year 2031)
Medicare	14.50% for fiscal year 2023 (15.00% in fiscal year 2024, 11.50% in fiscal year 2025, 10.50% in fiscal year 2026, then decreasing by 0.75% per year to an ultimate rate of 5.25% in fiscal year 2033, then 5.00% in fiscal year 2034 and later)

Mortality: Pri-2012 for Employees/Annuitants without collar adjustments using Scale MP-2021.

The last experience study was conducted in July 2020. Termination rates, retirement rates, and participant and dependent coverage assumptions were updated as a result of the experience study. Per capita claims costs, administrative expenses, and retiree contributions were updated based on analysis of 2023 rates.

A discount rate of 5.50% was used to measure the total OPEB liabilities. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and the contributions will be made at statutorily required rates, actuarially determined. This discount rate was determined as a blend of the best estimate of the expected return on plan assets and the 20-year high quality municipal bond rate as of the measurement date. For years where expected benefit payments can be covered by projected trust assets, expected returns are used. For years where payments are not expected to be covered by trust assets, the municipal Bond Buyer 20-Bond General Obligation Index rate is utilized.

Sensitivity of the Authority's proportionate share of the net OPEB Liability to changes in the discount rate: The following table presents the Authority's net OPEB liability, calculated using a discount rate of 4.50%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher.

	1% Decrease in Discount Rate (4.50%)	Current Discount Rate (5.50%)	1% Increase in Discount Rate (6.50%)
Authority's proportionate share of the net OPEB liability	$ 215,898	$ 183,387	$ 156,857

Sensitivity of the Authority's proportionate share of the net OPEB liability to changes in the health care cost trend rates: The following table presents the Authority's net OPEB liability, calculated using the current trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Authority's proportionate share of the net OPEB liability	$ 156,501	$ 183,387	$ 216,305

Long-term expected rate of return: The target allocation and expected real rate of return for each major asset class are listed below:

	Target Allocation	Expected Real Rate of Return
Large cap stocks	19.0%	8.5%
Mid cap stocks	6.0%	8.8%
Small cap stocks	9.0%	8.8%
International stocks	5.0%	9.0%
BarCap aggregate bonds	59.0%	3.9%
Cash equivalents	2.0%	2.8%
	100.0%	

12. ADOPTION OF NEW ACCOUNTING STANDARD

During the year ended June 30, 2023, the Authority implemented Governmental Accounting Standards Board Statement 91, *Conduit Debt Obligations*, which provided a single method of reporting conduit debt obligations by issuers and eliminated the diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. This statement did not have a significant impact on the Authority's financial statements.

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET TO ACTUAL
For the Year Ended June 30, 2023

	Budget	Actual	Variance Positive/ (Negative)
REVENUES			
General operations	$ 355,000	$ 335,301	$ (19,699)
Investment return	15,000	47,448	32,448
Miscellaneous income	1,675	3,660	1,985
Total revenues	371,675	386,409	14,734
EXPENDITURES			
Personnel services:			
Per diem	750	350	400
Office salaries	300,000	295,659	4,341
Payroll taxes and fringe benefits	160,000	169,546	(9,546)
Travel - staff	7,500	5,715	1,785
Travel - Board	1,500	3	1,497
Total personnel services	469,750	471,273	(1,523)
Operating expenditures:			
SRF legal fees	5,000	10,080	(5,080)
Legal fees - general	10,000	20,443	(10,443)
Legal fees - projects	1,000	-	1,000
Accounting fees	10,000	5,668	4,332
Audit fees	21,000	20,000	1,000
Miscellaneous professional fees	60,000	4,150	55,850
Equipment maintenance	500	-	500
Telephone	10,000	6,794	3,206
Office supplies and printing	2,000	1,342	658
Postage	1,000	413	587

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET TO ACTUAL
For the Year Ended June 30, 2023
(Continued)

	Budget	Actual	Variance Positive/ (Negative)
Operating expenditures (continued):			
Membership dues	4,000	3,315	685
Conference registration fees	2,000	1,830	170
Training	1,500	-	1,500
Board meetings	750	-	750
Miscellaneous and administrative	500	118	382
Workers' compensation contingency	4,500	-	4,500
Advertising/legal notices	1,500	800	700
Office maintenance	200	-	200
Rent	37,400	38,129	(729)
Insurance	850	768	82
Equipment expense	2,000	228	1,772
Computer equipment	4,000	1,545	2,455
Total operating expenditures	179,700	115,623	64,077
Total expenditures	649,450	586,896	62,554
Deficiency of revenues under expenditures	(277,775)	(200,487)	77,288
Net change in fund balance	$ (277,775)	$ (200,487)	$ 77,288

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

MARKET DEVELOPMENT PROGRAM
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET TO ACTUAL
For the Year Ended June 30, 2023

	Budget	Actual	Variance Positive/ (Negative)
REVENUES			
Market development intergovernmental revenue	$ 2,247,536	$ 623,675	$ (1,623,861)
Investment return	-	306	306
Total revenues	2,247,536	623,981	(1,623,555)
EXPENDITURES			
Personnel services:			
Administrative:			
Payroll and related expenses	111,504	158,356	(46,852)
Travel	1,500	1,195	305
Total personnel services	113,004	159,551	(46,547)
Contractual services:			
Business assistance:			
Encumbered direct financial assistance	1,065,318	384,192	681,126
Current year direct financial assistance	944,014	-	944,014
Total contractual services	2,009,332	384,192	1,625,140
Operating expenditures:			
Administrative:			
Training	500	-	500
Legal fees	2,000	-	2,000
Conference/registration	1,000	1,250	(250)
Accounting fees	2,700	2,700	-
Membership fees	1,500	1,345	155
Direct costs	4,000	2,970	1,030

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

MARKET DEVELOPMENT PROGRAM
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET TO ACTUAL
For the Year Ended June 30, 2023
(Continued)

	Budget	Actual	Variance Positive/ (Negative)
Operating expenditures (continued):			
Sponsorships	5,000	2,500	2,500
Authority costs	45,000	45,000	-
Business assistance:			
Legal fees	35,000	21,918	13,082
Publications/exhibits/meetings	1,000	694	306
Travel expense	2,500	2,269	231
Miscellaneous	-	97	(97)
Total operating expenditures	100,200	80,743	19,457
Total expenditures	2,222,536	624,486	1,598,050
Excess (deficiency) of revenues (under) over expenditures	25,000	(505)	(25,505)
Net change in fund balance	$ 25,000	$ (505)	$ (25,505)

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

MISSOURI BROWNFIELDS REVOLVING LOAN FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET TO ACTUAL
For the Year Ended June 30, 2023

	Budget	Actual	Variance Positive/ (Negative)
REVENUES			
Loan repayments	$ 272,600	$ 278,394	$ (5,794)
Total revenues	272,600	278,394	(5,794)
EXPENDITURES			
Personnel services:			
Office salaries	7,500	2,043	5,457
Travel	250	-	250
Total personnel services	7,750	2,043	5,707
Contractual services:			
Loans and subgrants	558,863	-	558,863
Contracts	50,000	3,309	46,691
Total contractual services	608,863	3,309	605,554
Operating expenditures:			
Administrative:			
Supplies	-	31	(31)
Total operating expenditures	-	31	(31)
Total expenditures	616,613	5,383	611,230
Excess (deficiency) of revenues over (under) expenditures	(344,013)	273,011	617,024
Net change in fund balance	$ (344,013)	$ 273,011	$ 617,024

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	June 30, 2023*	June 30, 2022*	June 30, 2021*
Authority's proportion of the net pension liability	0.0114%	0.0122%	0.0114%
Authority's proportionate share of the net pension liability	$ 815,590	$ 684,024	$ 722,862
Authority's covered payroll	$ 227,208	$ 246,604	$ 227,554
Authority's proportionate share of the net pension liability as percentage of its covered payroll	358.96%	277.38%	317.67%
Plan fiduciary net position as a percentage of the total pension liability	53.53%	63.00%	55.48%

	June 30, 2020*	June 30, 2019*	June 30, 2018*
Authority's proportion of the net pension liability	0.0075%	0.0160%	0.0182%
Authority's proportionate share of the net pension liability	$ 453,025	$ 892,985	$ 947,247
Authority's covered payroll	$ 227,554	$ 311,151	$ 358,060
Authority's proportionate share of the net pension liability as percentage of its covered payroll	199.08%	286.99%	264.55%
Plan fiduciary net position as a percentage of the total pension liability	56.72%	59.02%	60.41%

	June 30, 2017*	June 30, 2016*	June 30, 2015*
Authority's proportion of the net pension liability	0.0183%	0.0200%	0.0160%
Authority's proportionate share of the net pension liability	$ 851,010	$ 535,756	$ 376,439
Authority's covered payroll	$ 355,050	$ 322,981	$ 318,450
Authority's proportionate share of the net pension liability as percentage of its covered payroll	239.69%	165.88%	118.21%
Plan fiduciary net position as a percentage of the total pension liability	63.60%	72.62%	79.49%

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

Note: This schedule will ultimately contain 10 years of data.

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN

SCHEDULE OF AUTHORITY CONTRIBUTIONS

	June 30, 2023*	June 30, 2022*	June 30, 2021*
Required contribution	$ 53,417	$ 56,423	$ 49,538
Contributions in relation to the required contribution	$ 53,417	$ 56,423	$ 49,538
Authority's covered payroll	$ 227,208	$ 246,604	$ 227,554
Contributions as a percentage of covered payroll	23.51%	22.88%	21.77%

	June 30, 2020*	June 30, 2019*	June 30, 2018*
Required contribution	$ 51,283	$ 60,519	$ 60,763
Contributions in relation to the required contribution	$ 51,283	$ 60,519	$ 60,763
Authority's covered payroll	$ 227,554	$ 311,151	$ 358,060
Contributions as a percentage of covered payroll	22.54%	19.45%	16.97%

	June 30, 2017*	June 30, 2016*	June 30, 2015*
Required contribution	$ 60,252	$ 54,810	$ 52,107
Contributions in relation to the required contribution	$ 60,252	$ 54,810	$ 52,107
Authority's covered payroll	$ 355,050	$ 322,981	$ 318,450
Contributions as a percentage of covered payroll	16.97%	16.97%	16.36%

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

Note: This schedule will ultimately contain 10 years of data.

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION – OPEB PLAN

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

	June 30, 2023*	June 30, 2022*	June 30, 2021*
Authority's proportion of the net OPEB liability	0.0130%	0.0144%	0.0129%
Authority's proportionate share of the net OPEB liability	$ 183,387	$ 245,621	$ 231,553
Authority's covered payroll	$ 208,333	$ 248,320	$ 206,538
Authority's proportionate share of the net OPEB liability as percentage of its covered payroll	88.03%	98.91%	112.11%
Plan fiduciary net position as a percentage of the total OPEB liability	12.12%	10.14%	8.24%

	June 30, 2020*	June 30, 2019*	June 30, 2018*
Authority's proportion of the net OPEB liability	0.0136%	0.0190%	0.0221%
Authority's proportionate share of the net OPEB liability	$ 231,553	$ 332,926	$ 389,983
Authority's covered payroll	$ 217,745	$ 306,275	$ 354,575
Authority's proportionate share of the net OPEB liability as percentage of its covered payroll	106.34%	108.70%	109.99%
Plan fiduciary net position as a percentage of the total OPEB liability	8.24%	7.31%	6.81%

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

Note: This schedule will ultimately contain 10 years of data.

SCHEDULE OF AUTHORITY CONTRIBUTIONS

	June 30, 2023*	June 30, 2022*	June 30, 2021*
Required contribution	$ 9,505	$ 10,700	$ 9,367
Contributions in relation to the required contribution	$ 9,505	$ 10,700	$ 9,367
Authority's covered payroll	$ 208,333	$ 248,320	$ 206,538
Contributions as a percentage of covered payroll	4.56%	4.31%	4.54%

	June 30, 2020*	June 30, 2019*	June 30, 2018*
Required contribution	$ 11,195	$ 13,106	$ 14,927
Contributions in relation to the required contribution	$ 11,195	$ 13,106	$ 14,927
Authority's covered payroll	$ 217,745	$ 306,275	$ 354,575
Contributions as a percentage of covered payroll	5.14%	4.28%	4.21%

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

Note: This schedule will ultimately contain 10 years of data.

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2023

	Weatherization Fund	Natural Resource Damages Program Fund	Total Custodial Funds
ASSETS			
Cash	$ 703,215	$ 1,493,396	$ 2,196,611
Total assets	703,215	1,493,396	2,196,611
NET POSITION			
Amount held for others	703,215	1,493,396	2,196,611
Total net position	$ 703,215	$ 1,493,396	$ 2,196,611

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS For the Year Ended June 30, 2023

	Weatherization Fund	Natural Resource Damages Program Fund	Total Custodial Funds
ADDITIONS			
Utility payments	$ 626,500	$ -	$ 626,500
Management payments	12,500	-	12,500
Investment retirm	714	2,924	3,638
Total additions	639,714	2,924	642,638
DEDUCTIONS			
Distributions to others	165,638	992	166,630
Administrative expenses	14,510	58,924	73,434
Total deductions	180,148	59,916	240,064
Change in net position	459,566	(56,992)	402,574
Net position, beginning of year	243,649	1,550,388	1,794,037
Net position, end of year	$ 703,215	$ 1,493,396	$ 2,196,611

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

SCHEDULE OF INVESTMENTS HELD
June 30, 2023

Description	Maturity Date	Interest/ Yield Rate	Fair Value
GENERAL FUND			
U.S. GOVERNMENT AND AGENCY SECURITIES:			
Federal Farm Credit Bank security	8/8/2023	3.125%	$ 299,199
Federal Home Loan Bank security	2/28/2024	0.00%	870,377
Total U.S. government and agency securities			1,169,576
U.S. TREASURY NOTES:			
U.S. Treasury note	10/26/2023	0.00%	147,439
U.S. Treasury note	5/16/2024	0.00%	95,400
Total U.S. Treasury notes			242,839
Total investments - General Fund			$ 1,412,415

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

SCHEDULE OF TAX EXEMPT REVENUE BONDS ISSUED AND OUTSTANDING
June 30, 2023

Issued and Outstanding	Series	Closing Date	Original Issue Amount	Balance Outstanding June 30, 2023
Ameren UE	1998A	09/04/98	$ 60,000,000	$ 60,000,000
Ameren UE	1998B	09/04/98	50,000,000	50,000,000
Ameren UE	1998C	09/04/98	50,000,000	50,000,000
Associated Electric Cooperative, Refunding	2008	03/12/08	71,550,000	71,550,000
Henry County Water	2014A	10/30/14	7,515,000	2,785,000
Jefferson County Water	2021A	06/24/21	11,950,000	10,725,000
Jefferson County Water	2021B	06/24/21	145,000	145,000
Kansas City Power & Light	2008	05/22/08	23,400,000	23,400,000
Raytown Water Company	2022	07/12/22	5,000,000	4,765,000
SRF, Multiple Participant Refunding	2013A	11/26/13	101,535,000	45,510,000
SRF, Multiple Participant	2015A	02/05/15	29,935,000	11,050,000
SRF, Multiple Participant, Refunding	2015B	12/22/15	136,105,000	106,880,000
SRF, Multiple Participant	2018A	10/18/18	31,610,000	18,395,000
SRF, Multiple Participant Refunding	2020A	03/18/20	74,110,000	7,175,000
SRF, Multiple Participant Refunding	2020B	12/03/20	100,760,000	46,460,000
SRF, State Match Funding	2022	09/27/22	11,349,100	8,514,700
Tri-County Water Authority	2015	07/08/15	30,070,000	25,925,000
			$ 795,034,100	$ 543,279,700

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

SCHEDULE OF TAX EXEMPT REVENUE BONDS ISSUED BUT MATURED
June 30, 2023

Issued but Refunded	Closing Date	Original Issue Amount
Alpha Portland Industries, Inc.	04/29/75	$ 1,900,000
Alpha Portland Industries, Inc.	04/29/80	1,450,000
American Cyanamid Company	04/12/94	3,450,000
American Cyanamid Company	09/17/80	3,450,000
American Cyanamid Company	08/30/79	3,700,000
American Cyanamid Company	12/01/76	9,120,000
Ameren UE	03/09/00	63,500,000
Ameren UE	03/09/00	63,000,000
Ameren UE	03/09/00	60,000,000
Armco Corporation	12/17/75	13,350,000
Amoco Division Standard Oil	02/16/77	5,400,000
Associated Electric Cooperative, Inc.	01/25/80	95,000,000
Associated Electric Cooperative, Inc. (D)	03/19/81	36,000,000
Associated Electric Cooperative, Inc.	01/21/82	71,000,000
Associated Electric Cooperative, Inc. (A)	01/21/82	50,000,000
Associated Electric Cooperative, Inc. (J)	05/04/82	73,000,000
Associated Electric Cooperative, Inc. (N)	05/18/82	9,700,000
Associated Electric Cooperative, Inc. (Y)	12/16/82	55,900,000
Associated Electric Cooperative, Inc.	12/15/83	44,100,000
Associated Electric Cooperative, Inc.	11/15/84	153,125,000
Associated Electric Cooperative, Inc.	11/29/93	27,375,000
Associated Electric Cooperative, Inc.	05/01/96	127,415,000
Associated Electric Cooperative, Inc., 2007	10/01/07	71,550,000
Bayer Corporation	05/27/97	1,600,000
Chrysler Corporation	10/30/85	16,000,000
Chrysler Corporation	06/01/93	16,000,000
Community Development Notes, 1983	10/27/93	18,000,000
Community Development Notes, 1985	04/24/85	15,000,000
Community Development Notes, 1988	06/15/88	15,000,000
Empire District Electric Company	12/20/78	8,000,000
Empire District Electric Company	12/08/93	8,000,000
Energy Efficiency Master	02/07/02	4,910,000
Energy Efficiency Master	10/08/04	13,760,000
Energy Efficiency Master	01/25/06	14,775,000
Grant Anticipation Notes, 1982	12/16/82	24,500,000
Grant Anticipation Notes, 1983	11/17/83	44,100,000
Grant Anticipation Notes, 1985	07/09/85	90,000,000
Grant Anticipation Notes, 1986	07/15/86	65,000,000
Grant Anticipation Notes, 1989	03/02/89	14,850,000
Great Lakes Carbon	09/14/77	7,000,000
Great Lakes Container Corporation	07/24/80	800,000
Gulf & Western Industries, Inc. (Lone Star)	08/01/78	11,000,000
Henry County Water	05/01/96	13,000,000
Henry County Water	08/01/04	465,000

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

SCHEDULE OF TAX EXEMPT REVENUE BONDS ISSUED BUT MATURED
June 30, 2023
(continued)

Issued but Refunded	Closing Date	Original Issue Amount
Henry County Water	08/01/04	$ 11,815,000
Kansas City Power & Light Company	07/19/78	31,000,000
Kansas City Power & Light Company	10/26/77	20,000,000
Kansas City Power & Light, Series 1993	10/13/93	12,366,000
Kansas City Power & Light	09/15/92	31,000,000
Lone Star Industries, Inc.	07/17/84	8,300,000
Lone Star Industries, Inc.	08/29/84	800,000
Metropolitan Sewer District, Series 1991	01/10/91	68,000,000
Metropolitan Sewer District, Series 1992A	01/14/92	85,000,000
Metropolitan Sewer District, Series 1993	12/09/93	50,000,000
Middlefork Water Company, Series 1992	05/28/92	2,000,000
Middlefork Water Company	05/24/01	1,620,000
Missouri-American Water Company	03/18/93	5,000,000
Missouri-American Water Company	07/01/96	6,000,000
Missouri-American Water Company	11/24/98	19,000,000
Missouri-American Water Company	02/01/98	4,500,000
Missouri-American Water Company	03/28/00	29,000,000
Missouri-American Water Company	04/24/02	15,000,000
Missouri-American Water Company	04/27/06	57,480,000
Missouri Cities Water	02/12/91	4,500,000
Mobay Chemical Corporation	04/18/75	7,500,000
Mobay Chemical Corporation	09/11/75	3,500,000
Mobay Chemical Corporation	03/15/78	11,000,000
Mobay Chemical Corporation	05/10/78	825,000
Mobay Chemical Corporation	04/18/79	11,000,000
Mobay Chemical Corporation	12/05/85	1,600,000
Monsanto Company	08/03/78	2,370,000
Monsanto Company	01/09/79	10,250,000
Monsanto Company	09/06/79	2,900,000
Monsanto Company	12/15/82	9,325,000
Monsanto Company	06/09/93	14,520,000
Monsanto Company	11/08/84	2,890,000
Monsanto Company	11/10/88	7,950,000
Monsanto Company	06/09/93	14,520,000
Noranda Aluminum, Inc.	04/27/76	10,500,000
Noranda Aluminum, Inc.	10/29/82	45,000,000
Raytown Water Company	04/23/92	3,000,000
Raytown Water Company	07/30/99	2,670,000
Raytown Water Company	09/26/08	970,000
Raytown Water Company	02/13/13	1,015,000
Reynolds Metal Company	12/31/85	750,000
River Cement Company	05/29/80	5,700,000

STATE ENVIRONMENTAL IMPROVEMENT
AND ENERGY RESOURCES AUTHORITY

SCHEDULE OF TAX EXEMPT REVENUE BONDS ISSUED BUT MATURED
June 30, 2023
(continued)

Issued but Refunded	Closing Date	Original Issue Amount
SRF, Branson	05/02/95	$ 17,450,000
SRF, Cape Girardeau	06/29/95	11,462,661
SRF, Multiple Participant 1992A	06/16/92	48,295,000
SRF, Kansas City	04/26/96	24,000,000
SRF, Kansas City	04/24/97	5,730,000
SRF, Kansas City	04/25/95	18,000,000
SRF, Kansas City	04/24/97	22,235,000
SRF, Springfield	10/25/90	32,650,000
SRF, Lees Summit	01/06/91	9,695,000
SRF, Little Blue Valley Sewer District	01/30/03	88,915,000
SRF, Multiple Participant, Refunding	06/26/97	15,785,000
SRF, Multiple Participant, Refunding	02/17/10	205,420,000
SRF, Multiple Participant, Refunding	11/30/11	106,830,000
SRF, Multiple Participant	01/14/91	13,550,000
SRF, Multiple Participant	09/08/93	22,425,000
SRF, Multiple Participant	08/18/94	12,215,000
SRF, Multiple Participant	06/29/95	30,000,000
SRF, Multiple Participant	12/01/94	43,230,000
SRF, Multiple Participant	10/14/95	26,410,000
SRF, Multiple Participant	04/25/96	4,545,000
SRF, Multiple Participant	06/01/98	2,500,000
SRF, Multiple Participant	04/20/07	57,430,000
SRF, Multiple Participant	06/12/96	14,185,000
SRF, Multiple Participant	12/18/96	23,600,000
SRF, Multiple Participant	06/05/97	24,060,000
SRF, Multiple Participant	12/01/97	14,015,000
SRF, Multiple Participant	04/01/98	16,480,000
SRF, Multiple Participant	06/2/6/01	122,060,000
SRF, Multiple Participant	12/02/98	45,900,000
SRF, Multiple Participant	06/02/99	47,970,000
SRF, Multiple Participant	12/02/99	13,870,000
SRF, Multiple Participant	04/12/00	52,640,000
SRF, Multiple Participant	11/21/00	41,485,000
SRF, Multiple Participant	04/18/01	13,930,000
SRF, Multiple Participant	05/08/02	112,280,000
SRF, Multiple Participant	05/08/02	29,545,000
SRF, Multiple Participant	10/25/02	103,065,000
SRF, Multiple Participant	04/01/03	39,940,000
SRF, Multiple Participant	11/06/03	27,895,000
SRF, Multiple Participant	05/12/04	179,780,000
SRF, Multiple Participant	11/19/04	39,895,000
SRF, Multiple Participant	11/30/05	85,210,000
SRF, Multiple Participant	04/27/06	87,505,000

STATE ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY

SCHEDULE OF TAX EXEMPT REVENUE BONDS ISSUED BUT MATURED
June 30, 2023
(continued)

Issued but Refunded	Closing Date	Original Issue Amount
SRF, Multiple Participant	11/03/06	$ 22,105,000
SRF, Multiple Participant	11/15/07	56,720,000
SRF, Multiple Participant	10/30/08	69,435,000
SRF, Multiple Participant	11/17/10	65,920,000
SRF, Multiple Participant	03/23/04	77,625,000
SRF, Multiple Participant	05/06/05	53,060,000
SRF - MSD Notes	06/08/00	72,545,000
Standard Oil Company (Amoco Division)	07/22/80	8,300,000
St. Joseph Light & Power Company	12/30/80	5,300,000
St. Joseph Light & Power Company	02/24/83	5,600,000
St. Joseph Light & Power Company	07/21/89	5,600,000
St. Joseph Light & Power Company	06/14/95	5,600,000
St. Joseph Mineral Corporation	12/20/73	7,000,000
St. Louis County Water	02/12/91	25,000,000
St. Louis County Water	02/26/92	25,000,000
St. Louis County Water	03/25/93	15,000,000
St. Louis County Water	06/20/95	12,000,000
St. Louis County Water	11/01/96	20,000,000
St. Louis County Water	03/01/98	25,000,000
St. Louis County Water	03/24/99	40,000,000
Tri-County Water Authority	06/01/10	10,525,000
Tri-County Water Company	04/30/92	8,365,000
Tri-County Water Company	09/01/99	14,760,000
Union Electric Company (1995 A&B)	02/26/92	126,500,000
Union Electric (1993 A)	10/13/93	44,000,000
Union Electric Company	04/25/74	16,500,000
Union Electric Company	06/11/75	22,000,000
Union Electric Company	05/30/90	60,000,000
Union Electric Company	11/01/77	27,085,000
Union Electric Company	08/20/80	60,000,000
Union Electric Company	10/08/81	45,000,000
Union Electric Company	12/15/82	20,000,000
Union Electric Company (Series A & B, 1984)	06/21/84	160,000,000
Union Electric Company (Series C, 1984)	11/14/84	47,500,000
Union Electric	12/17/91	42,585,000
Union Electric	12/03/92	47,500,000
UtiliCorp United, Inc.	05/26/93	5,000,000
Wentzville, City of	05/08/81	6,350,000
		$ 5,410,943,661

State Environmental Improvement and Energy Resources Authority
361st Board Meeting
September 21, 2023

Agenda Item #4B
MISSOURI MARKET DEVELOPMENT PROGRAM
KESSLER CONTAINERS, LTD

Issue:

Kessler Containers, Ltd. requested $250,000 to purchase two high efficiency blow molding machines costing $561,100. These machines would enable the company to increase the amount of recovered HDPE plastics being used to manufacture custom plastic bottles and containers.

Action Needed:

Consideration of the funding recommendations for Kessler Containers, Ltd.

Staff Recommendation:

Staff recommends funding this project in the amount of $250,000, not to exceed 50% of the cost of the equipment.

Staff Contact:

Angie Powell, Market Development Program Director

Background:

Kessler Containers, Ltd. located at 8544 Page Ave., in St. Louis makes custom plastic bottles and containers for a variety of national customers. They have requested financial assistance for 2 high efficiency blow molding machines capable of producing bottles and containers with recycled, re-pelletized and otherwise waste materials. The new equipment would allow them to increase the amount of recovered feedstock into their bottle and containers to help keep up with the demand for a higher "recycled content" container. They will be able to reuse their internal scrap and purchase scrap material (post-consumer and postindustrial) from other sources that is currently being discarded.

Kessler Containers, Ltd. anticipates diverting an additional 150 tons annually from the waste stream (at a minimum) and creating eight full time employees 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, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $250,000, not to exceed 50% of the cost of the equipment. This is the maximum amount for which they are eligible. This funding recommendation was unanimous.

AP:ge

State Environmental Improvement and Energy Resources Authority
361st Board Meeting
September 21, 2023

Agenda Item #4C
MISSOURI MARKET DEVELOPMENT PROGRAM
PRINTERIOR LLC

Issue:

Printerior LLC requested $67,400 to purchase large format 3D printing equipment costing $115,107. The large format 3D printing will be used to replace industrial tooling and composite molding. The use of 3D printers with recycled source material has an opportunity to turn a normally huge waste producing process into a sustainable circular system.

Action Needed:

Consideration of the funding recommendations for Printerior LLC.

Staff Recommendation:

Staff recommends funding this project in the amount of $67,400, not to exceed 75% of the cost of the equipment.

Staff Contact:

Angie Powell, Market Development Program Director

Background:

Printerior LLC located at 5145 Delmar Blvd. in St. Louis has developed a large format printing technique that is optimized for using recycled materials that can help revolutionize the way industrial tooling and mold making happens. Utilizing the 3D printing process makes it possible to create more intricate shapes, with less materials, and on a significantly faster timeline

Printerior LLC will use several types of recycled plastic and glass fiber to print its products. The recovered plastics used in this process is post-consumer PETG, PP, PLA, and ABS from local companies, hobbyists, and educational institutions. Printerior also sells the recycled filament they create to other companies, thus creating demand for their recycled content products.

Printerior LLC anticipates diverting an additional 30 tons annually from the waste stream and creating three full-time positions and one part-time position 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, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $67,400, not to exceed 75% of the cost of the equipment. This is the maximum amount for which they are eligible. This funding recommendation was unanimous.

AP:ge

State Environmental Improvement and Energy Resources Authority
361st Board Meeting
September 21, 2023

Agenda Item 4D
MISSOURI MARKET DEVELOPMENT PROGRAM
SERVICE RECYCLING, LLC

Issue:

Service Recycling LLC requested $225,500 to purchase a robotic pallet recovery system costing $451,594. This machine would enable the company to disassemble and cut odd size, custom, and broken pallets to be reassembled into new standard size pallets or custom pallets.

Action Needed:

Consideration of the funding recommendation for Service Recycling, LLC.

Staff Recommendation:

Staff recommends funding this project in the amount of $225,500, not to exceed 50% of the cost of the equipment.

Staff Contact:

Angie Powell, Market Development Program Director

Background:

Service Recycling, LLC located at 3178 N. Kentucky Avenue in Joplin, is a major commercial recycler in the Joplin area and processes materials recovered from Missouri, Oklahoma, Arkansas, and Iowa. They process scrap and waste materials (i.e. paper and other fiber materials, plastics, cardboard, pallets, etc.) from many major grocers and manufacturing plants such as Tyson Foods. They have requested financial assistance for a robotic palter recovery system that will allow damaged pallets and block pallets to be recovered and disassembled in a much more efficient way and will result in a less strenuous and safer work environment for the employees.

Service Recycling LLC anticipates diverting an additional 5,160 tons annually from the waste stream because of the efficiency of this machine, creating an opportunity to pursue new accounts. They anticipate creating 13 full time employees with this project as they will add additional board sorters, custom pallet builders, robot feeder and maintenance technician for the new system, etc.

The Missouri Market Development Program Steering Committee, which includes staff from the Missouri Department of Natural Resources, Missouri Department of Economic Development, the Solid Waste Advisory Board, and the Authority, recommends funding this project in the amount of $225,500, not to exceed 50% of the cost of the equipment. This is the maximum amount for which they are eligible. This funding recommendation was unanimous.

AP:ge

State Environmental Improvement and Energy Resources Authority
361st Board Meeting
September 21, 2023

Agenda Item #5B
MISSOURI BROWNFIELDS REVOLVING LOAN FUND
CONSIDERATION OF BOONSLICK CDC PROJECT

Issue:

The Boonslick Community Development Corporation, a Missouri non-profit corporation, has submitted a hazardous substance application to the program requesting $200,000 to remediate asbestos containing material in A Barracks and D Barracks of the former Kemper Military School.

Action Needed:

Consideration of the funding recommendation for the Boonslick CDC project and authorization for the director or designee to enter into an agreement on behalf of the Authority.

Staff recommendation:

Staff recommends that the Board approve a subgrant of up to $250,000 for this project.

Staff Contact:

Kristin Tipton, Development Director

Background:

The Boonslick Community Development Corporation, a Missouri non-profit corporation, has submitted a hazardous substance application to the MBRLF program requesting $200,000 to remediate asbestos containing material in A Barracks and D Barracks of the former Kemper Military School.

In 2002 the City of Boonville acquired the 8 building, 46 acre school campus, which operated from 1844 -2021. Since that time, two buildings have been demolished, two buildings are used by the YMCA, one is leased by State Fair Community College, and one building is being transferred to the Regional Library. Additionally, green space has been developed on the campus including an 18-hole Frisbee golf course, soccer fields, and a baseball field.

A and D Barracks are vacant buildings that have had some repair work done by the City. Both buildings are structurally sound and excellent prospects for renovation. A developer has proposed converting the property to 50-60 senior apartments and intends to begin construction as soon as the buildings are abated. This project will not only close the chapter on the City's 20 year redevelopment efforts, but will also provide much needed affordable senior housing for the community.

A Barracks is approximately 21,500 square feet and D Barracks is approximately 72,000 square feet. Both buildings have asbestos identified throughout, including insulated pipe runs and vinyl tile.

The Boonslick CDC has successfully participated in the MBRLF for remediation of two buildings on the former Kemper Military School in the past.

Staff reviewed the application and found the applicant and site to meet all eligibility criteria for the program.

The MBRLF Review Team, consisting of staff from MoDNR's Brownfield Voluntary Cleanup Program and the Department of Economic Development's Business and Community Services Program reviewed the application and unanimously recommends that the Board approve a subgrant of up to $250,000 for this project.

KT:ge

State Environmental Improvement and Energy Resources Authority
361st Board Meeting
September 21, 2023

Agenda Item #5C
MISSOURI BROWNFIELDS REVOLVING LOAN FUND
CONSIDERATION OF CITY OF EXCELSIOR SPRINGS PROJECT

Issue:

The City of Excelsior Springs has submitted a hazardous substance application to the MBRLF requesting $250,000 to remediate lead based paint and asbestos containing materials in the former Wyman School.

Action Needed:

Consideration of the funding recommendation for the City of Excelsior Springs project and authorization for the director or designee to enter into an agreement on behalf of the Authority.

Staff recommendation:

Staff recommends that the Board approve a subgrant of up to $250,000 for this project.

Staff Contact:

Kristin Tipton, Development Director

Background:

The City of Excelsior Springs has submitted a hazardous substance application to the MBRLF program requesting $250,000 to remediate lead based paint and asbestos containing materials in the former Wyman School.

The Wyman School was constructed in 1912 and operated as a school until the mid 1990's. A community theater used the building for a short time but it is currently vacant. The three story concrete and brick building is on the National Register of Historic Places and is located in a residential area on a site of 1.76 acres.

A developer has approached the City about converting the property to a market-rate housing project that will include between 25 and 30 apartments from studio sized to two-bedroom units. The developer has completed a number of historic renovation projects and proposes a Class A renovation on the interior and a new parking lot. An agreement has been signed and the City will transfer the property to the developer once the remediation is complete.

Phase I and Phase II Environmental Assessments indicate that lead based paint is present throughout the building on door and window trims. Asbestos containing materials are present in vinyl floor tiles on all three floors. The City is very interested in addressing blight in the community and feels that this project will also provide relief for a significant shortage of workforce housing.

Staff reviewed the application and found the applicant and site to meet all eligibility criteria for the program.

The MBRLF Review Team, consisting of staff from MoDNR's Brownfield Voluntary Cleanup Program and the Department of Economic Development's Business and Community Services Program reviewed the application and unanimously recommends that the Board approve a subgrant of up to $250,000 for this project.

KT:ge

State Environmental Improvement and Energy Resources Authority
361st Board Meeting
September 21, 2023

Agenda Item #6
MEMORANDUM OF AGREEMENT WITH COALITION FOR GREEN CAPITAL

Issue:

The Coalition for Green Capital (CGC) is one of the national non-profits that is applying to the EPA's National Clean Investment Fund (NCIF) competition for funding grants. The Authority has been working with the CGC to be an implementation partner and potential subawardee to bring up to $100M into the state to finance energy-reducing projects. A Memorandum of Agreement is necessary for each coalition partner.

Action Needed:

Approval to enter into a Memorandum of Agreement with the CGC.

Staff Recommendation:

Staff recommends that the Board authorize the Director or his designee to enter into a Memorandum of Agreement with the CGC to assist CGC in applying for funding through the NCIF. If successful, the Authority will work with CGC to administer the disbursement of NCIF grant funds in the state.

Staff Contact:

Joe Boland and Mark Pauley

Background:

The NCIF will provide grants to 2–3 national nonprofit financing entities to create national clean financing institutions capable of collaborating with the private sector to provide accessible, affordable financing for tens of thousands of clean technology projects nationwide. These national nonprofits will provide financing to individuals and families, nonprofit organizations, for-profit businesses (especially small businesses), units of government, and others deploying these projects, which will reduce pollution while creating jobs, accelerating progress toward energy security, and lowering energy costs.

These national nonprofits will also provide capital to community lenders and other similar institutions, like the Authority, so that they can, in turn, provide financing to the communities that they serve. To multiply the impact of public funds, these national nonprofit financing entities will mobilize private capital as they finance these projects, ensuring that every dollar of public funds generates several times more private-sector investment into emissions and air pollution-reducing projects.

The CGC has requested the Authority be a grant subawardee for the state. If the CGC is successful in securing a $10B award, initial calculations indicate that the Authority could receive an allocation of up to $100 million to provide low-cost financing to support distributed energy generation and storage, zero-emissions buildings and zero-emissions transportation.

Staff hope to create a sustainable revolving-type loan program that would provide low-cost financing to support the growth of these energy markets.

JB:ge

<u>National Clean Investment Fund</u>
<u>Coalition Partner Memorandum of Agreement</u>
<u>Between</u>
<u>the Coalition for Green Capital</u>
<u>and</u>
<u>[*Entity Name*]</u>

This Memorandum of Agreement ("**Agreement**"), dated as of [*Date*] (the "**Effective Date**"), is between the Coalition for Green Capital, d/b/a the American Green Bank Consortium ("**CGC**" and "**Lead Coalition Member**"), a Washington, DC-based 501(c)(3) nonprofit corporation with offices located at 1201 Connecticut Ave NW, Suite 600, Washington, DC 20036 ("**First Party**") and [*name of entity*] ("[***Abbreviated Name***]" and "**Coalition Member**"), a [*jurisdiction*] headquartered [*type of entity*] with offices located at [*address*] ("**Second Party**") (collectively, the "**Parties**," and each a "**Party**") for the purpose of forming a coalition ("**Coalition**") that will submit a coalition application to the United States Environmental Protection Agency ("**EPA**") under the notice of funding opportunity ("**NOFO**") for the National Clean Investment Fund ("**NCIF**") of the Greenhouse Gas Reduction Fund ("**GGRF**") ("**Coalition Grant Application**") and implement the national green finance network described therein ("**Program**"). In furtherance of the purposes of the Coalition, the Parties hereby agree as follows:

1. The Notice of Funding Opportunity.

1.1. This Agreement applies solely to the following funding opportunity:

- Funding Opportunity Name: National Clean Investment Fund (NCIF)
- Funding Opportunity Number: EPA-R-HQ-NCIF-23
- Assistance Listing Number: 66.957

2. The Coalition Grant Application

2.1. CGC will serve as the Lead Coalition Member and be responsible for submitting the Coalition Grant Application to the EPA in a timely manner As the Lead Coalition Member, CGC will, among other responsibilities:

2.1.1. Serve as the primary author of the Coalition Grant Application;

2.1.2. Design the Program to be submitted with the Coalition Grant Application;

2.1.3. Submit a proposed budget with the Coalition Grant Application that includes $[*amount of subaward*] in funding for the purpose of making a subaward to the Coalition Member for the purposes of carrying out the responsibilities described below and that will be included in a separate agreement to be executed by the Parties ("*Subaward Agreement*") in [*state(s) or other geographic area(s)*] ("**Geographic Region**"); and

2.1.4. Involve Coalition Member in the development of the Coalition Grant Application as appropriate, including, but not limited to, providing Coalition Member a reasonable opportunity to review the Coalition Grant Application and to make comments, which CGC will take into consideration when preparing the final Application, on sections describing the Coalition Member or its operations.

2.2. [*Abbreviated Name*] will serve as a named Coalition Member and provide public and full support for the development of the Coalition Grant Application. Public and full support includes but is not limited to the following:

2.2.1. Providing the information required or requested as part of the development of the Coalition Grant Application, including, but not limited to:

2.2.1.1. Coalition Member contact information;

2.2.1.2. Explanation of eligibility for subawards under the EPA Subaward Policy as well as supporting evidence of such eligibility;

2.2.1.3. Financial statements, as required for Section 2.5.1 of the Coalition Grant Application; and

2.2.1.4. Financial projections, as required for Section 2.5.2 of the Coalition Grant Application, and using the template provided by EPA on the grants.gov webpage for funding opportunity number EPA-R-HQ-NCIF-23.

2.2.2. Contributing experience, expertise, and time, as appropriate, in support of the development of the Coalition Grant Application;

2.2.3. Submitting letters of support or commitment for submission to EPA as part of the Coalition Grant Application; and

2.2.4. Using best efforts to obtain letters of support and letters of commitment from green banks, community organizations and leaders, and labor organizations and institutions for submission to EPA as part of the Coalition Grant Application.

3. Implementation of the Program

3.1. Upon signing a grant agreement with the EPA that includes funding to be used to make subawards, including funding that can be used to make a subaward to [*Abbreviated Name*] ("Grant Agreement"), CGC, as the Lead Coalition Member, will:

3.1.1. Implement the Program in all covered geographic regions unless responsibility for implementing the Program within a geographic region is transferred to a member of the Coalition through the execution of a subaward agreement;

3.1.2. Use best efforts to negotiate and finalize a Subaward Agreement with [*Abbreviated Name*] in the amount of $[*amount of subaward*], or, if CGC's proposed program receives only partial funding from EPA, a proportional amount consistent with the terms of the partial award, for the purposes of carrying out, during [*amount of time covered by the Subaward*] ("**Period of Performance**"), the responsibilities described herein and other responsibilities that will be included in the Subaward Agreement specified therein;

3.1.3. Ensure that the terms and conditions of the Grant Agreement "flow down" to Coalition Member by including those terms and conditions in the Subaward Agreement;

3.1.4. Oversee Coalition Member's compliance with the requirements of the Subaward Agreement, work cooperatively with Coalition Member to resolve any noncompliance expeditiously, take corrective action, including, if appropriate, early termination of the Subaward Agreement or recovery of NCIF funds from Coalition Member, in the event the noncompliance is not resolved within an appropriate amount of time;

3.1.5. Work to identify mutually agreed upon underwriting standards and investment categories for certain types of qualified projects in Coalition Member's Geographic Region for the purpose of facilitating CGC and Coalition Member, at each Party's discretion, coinvesting in such qualified projects;

3.1.6. Work to identify standardized financial products associated with qualified projects to facilitate warehousing and securitization and other forms of recycling capital; and

3.1.7. Provide Coalition Member with the opportunity to invest in all qualified projects originated by CGC in the Geographic Region.

3.2. Upon signing a Subaward Agreement with CGC, Coalition Member, will:

3.2.1. Assume CGC's responsibilities for, and associated with, operating all aspects of the Program within the Geographic Region during the Period of Performance, including but not limited to:

3.2.1.1. Providing financial assistance for the three EPA Priority Project Categories (as defined in the NCIF NOFO, which may be amended from time to time) and identified in the Coalition Grant Application ("Priority Project Categories");

3.2.1.2. Offering financial assistance for Priority Project Categories in every low income and disadvantaged community ("LIDAC") in its Geographic Region; and

3.2.1.3. Complying with the terms and conditions of the Subaward Agreement and all applicable laws and regulations.

4. Effective Date, Limitation, Amendment, and Termination

4.1. This Agreement shall commence as of the Effective Date and shall continue thereafter until the completion of the work contemplated by this Agreement or the withdrawal of a Party.

4.1.1. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Electronic signature on this Agreement shall be deemed to be valid execution and delivery as though in original ink. This Agreement may be delivered by electronic or other mode of transmission as if the same were a fully executed and delivered original manual counterpart.

4.1.2. Either Party, in its sole discretion, may terminate this Agreement at any time, without cause, by providing written notice at least thirty (30) days prior to the date of termination. Terminating this Agreement will have no effect on the statutory, regulatory, or separately created contractual obligations of either Party.

4.2. The Parties agree that the provisions of this Agreement are subject to the laws, regulations, and policies applicable to, and any terms and conditions included with, any funding provided by EPA under the Greenhouse Gas Reduction Fund to CGC or through CGC to Coalition Member.

4.3. This Agreement does not constitute and will not give rise to any legally binding obligation or rights on the part of either of Party or any third party, nor does create between the Parties any partnership, trust, or fiduciary relationship.

4.4. Amendment of this Agreement is required to increase the amount of funding listed in the Coalition Grant Application for the purpose of making a subaward to Coalition Member above the amount listed herein.

4.5. No amendment to this Agreement is effective unless it is in writing and signed by an authorized representative of each Party.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates below.

COALITION FOR GREEN CAPITAL	[*name of entity*]
By:	By:
Name:	Name:
Title:	Title: