



**UNAUDITED
FINANCIAL STATEMENTS**

Fiscal Year to Date as of December 31, 2020

Prepared by: Jennifer Even
Chief Financial Officer

Lindsey L. Harris-Funk
Assistant Chief Financial Officer



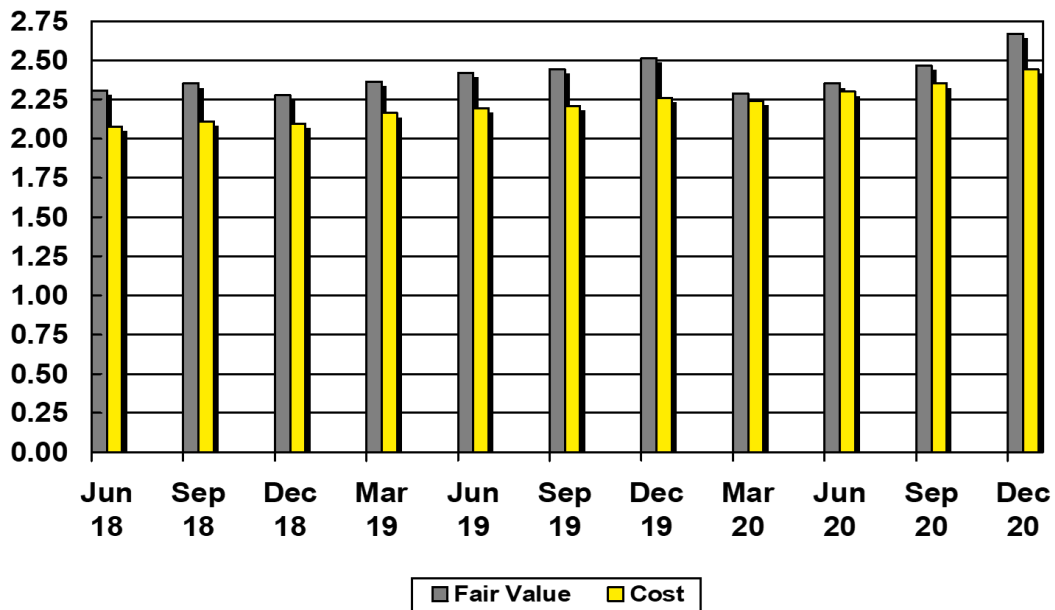
**UNAUDITED
FINANCIAL STATEMENTS
December 31, 2020**

The financial statements and related data are attached. These are interim financial statements and include estimated amounts.

As of December 31, the total fair value of investments is \$2,670,413,266. This is an increase of \$317.7 million from the June 30 value of \$2,352,666,839.

RECOMMENDATION: This is provided for the Board's information. No action is necessary.

**24-Month Value of Investments
(in billions)**



MoDOT AND PATROL EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF FIDUCIARY NET POSITION

December 31, 2020

	Fair Value
ASSETS	
Cash	\$427,525.70
Receivables	
MoDOT Contributions	5,604,358.72
MSHP Civilian Contributions	1,236,293.75
MSHP Uniformed Contributions	2,083,469.57
Accrued Investment Interest and Income	4,456,271.16
Investment Sales	6,574,642.87
Total Receivables	\$19,955,036.07
Investments	
Equities	\$390,926,584.34
Fixed Income	677,072,692.82
Limited Partnerships	1,111,945,120.29
Hedge	125,702,568.47
Short Term Investments	364,766,299.86
Total Investments	\$2,670,413,265.78
Securities Lending Collateral	80,791,686.93
Capital Assets	
Land (not depreciated)	\$84,000.00
Equipment	3,430,651.83
Building	581,618.50
Accumulated Depreciation	(3,785,538.60)
Total Capital Assets	\$310,731.73
TOTAL ASSETS	\$2,771,898,246.21
 DEFERRED OUTFLOWS	
OPEB Related Items	\$31,054.00
 LIABILITIES	
Actuary Fee Payable	\$62,588.00
Auditor Fee Payable	28,750.00
Investment Custodian Fee Payable	129,782.12
Investment Fees Payable	487,812.67
Securities Lending Collateral	85,530,937.64
Salaries & Taxes Payable	0.00
Accumulated Compensatory Absences	234,409.26
Accounts Payable	5,854.37
Disability Insurance Payable	0.00
OPEB Obligation	1,552,393.00
Investment Purchases Payable	5,304,606.78
TOTAL LIABILITIES	\$93,337,133.84
 DEFERRED INFLOWS	
OPEB Related Items	\$248,799.00
NET POSITION RESTRICTED FOR PENSIONS	\$2,678,343,367.37

MoDOT AND PATROL EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Fiscal Year to Date as of December 31, 2020

ADDITIONS

Contributions - Employer

MoDOT	\$60,139,172.18
MSHP Civilian	14,302,089.89
MSHP Uniformed	24,487,985.40
Retirement System	568,734.91
MoDOT - Disability	478,197.36
MSHP - Disability	318,351.77
MPERS - Disability	4,571.15
Total Contributions - Employer	\$100,299,102.66

Contributions - Employee

MoDOT	1,645,477.90
MSHP Civilian	391,242.67
MSHP Uniformed	448,348.08
MPERS	11,608.05
Total Contributions - Employee	\$2,496,676.70

Contributions - Other

Reciprocal Transfer	595,516.18
Prior Service Purchase	227,463.76
Military Service Purchase	784,786.92
Police Service Purchase	113,006.75
Total Contributions - Other	\$1,720,773.61

Total Contributions	\$104,516,552.97
----------------------------	-------------------------

MoDOT AND PATROL EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Fiscal Year to Date as of December 31, 2020

Investment Income - from Investing Activities	
<u>Net Appreciation/(Depreciation) and Gains/(Losses)</u>	
Realized Gain on Sale of Investments	418,654,830.41
Realized Loss on Sale of Investments	(269,519,299.41)
Net Change in Fair Value of Investments	187,950,583.52
Miscellaneous Income	0.00
Total Net Appreciation and Gains	\$337,086,114.52
<u>Interest and Dividends</u>	
Interest Income - Investments	\$7,602,579.12
Interest Income - Checking Account	0.00
Dividend Income	2,911,029.47
Real Estate Income	12,808,965.25
Total Interest and Dividends	\$23,322,573.84
Total Investing Activities Income	\$360,408,688.36
<u>Less Investment Expenses</u>	
General Consultant (Monitoring) Fee	(\$172,070.56)
Management Fee	(\$11,651,114.04)
Custodial Fee	(\$20,073.79)
Performance Measurement Fee	(\$109,708.33)
Professional Fee	(\$401,848.94)
Investment Expense (foreign taxes/misc fees)	595,015.18
Total Investment Expenses	(\$11,759,800.48)
Net Investing Activities Income (Loss)	\$348,648,887.88
Investment Income - from Securities Lending Activities	
Securities Lending Income	\$102,030.35
Borrower Rebate Expense	(\$7,074.66)
Bank Fees	(28,451.76)
Total Securities Lending Activities Income	\$66,503.93
Total Net Investment Income	\$348,715,391.81
 Other Income	 \$598.28
 TOTAL ADDITIONS	 \$453,232,543.06

MoDOT AND PATROL EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Fiscal Year to Date as of December 31, 2020

DEDUCTIONS

Benefit Expenses

Regular Retirement	\$124,835,158.21
MSHP Uniformed Special	84,072.89
Long Term Disability	12,174.60
Work-Related Disability	354,011.19
Normal Disability	57,750.06
BackDROP Payments - Rollovers	5,729,606.17
BackDROP Payments - Cash	871,696.03
Insured Disability Program	784,250.31
Service Transfer Payments - Employer	598,857.69
Death Payments	635,000.00
Employee Contribution Refunds	277,962.06
Total Benefit Expense	<u>\$134,240,539.21</u>

Administrative Expenses

Salaries and Benefits	\$1,698,194.82
Professional Services	215,086.52
Investment Services	15,000.00
Investment Direct Operating Expenses	17,600.01
Meetings/Travel/Education	2,029.01
Investment Meetings/Travel/Education	2,934.98
Member Education	346.48
Dues/Subscriptions	13,141.40
Utilities	12,385.38
Building Expenses/Maintenance	10,833.95
Equipment Rental/Lease	3,954.99
Equipment/Furniture	1,393.92
Information Technology	227,304.06
Supplies	745.62
Printing/Postage	7,382.51
Depreciation	10,944.30
Bank Service Charge	4,622.04
Miscellaneous	4,624.53
Total Administrative Expense	<u>\$2,248,524.52</u>

TOTAL DEDUCTIONS \$136,489,063.73

Net Increase (Decrease) \$316,743,479.33

NET POSITION RESTRICTED FOR PENSIONS

Beginning of Period 2,361,599,888.04

End of Period \$2,678,343,367.37

**MoDOT AND PATROL EMPLOYEES' RETIREMENT SYSTEM
FINANCIAL STATEMENT
SUPPLEMENTARY INFORMATION**

For purposes of these financial statements, the following terms and explanations apply:

CONTRIBUTIONS RECEIVABLE are earned at the end of each month, but are not received until the following month, due to the state's lag payroll system.

AMOUNTS DUE FROM MEMBERS is comprised primarily of benefit and insurance refunds and taxes receivables.

INVESTMENT SALES RECEIVABLE represents investment transactions entered into for which the proceeds have not been received as of the end of the quarter.

INVESTMENT PURCHASES PAYABLE represents investment transactions entered into for which the funds have not been paid as of the end of the quarter.

SECURITIES LENDING INCOME is generated from the investment accounts by exchanging the System's securities with large financial firms that provide the System with cash or non-cash collateral. Cash collateral is invested short-term and non-cash collateral earns fees.

BENEFIT EXPENSES are briefly defined as follows (contact the System for more information):

Regular Retirement benefits include payments made under both the Closed Plan and the Year 2000 Plan. Benefits are based on a formula consisting of the highest 36 consecutive months of compensation, a benefit multiplier, and the number of years and months of service.

MSHP Uniformed Special benefits are provided to uniformed patrol retirees up to age 65 who are not gainfully employed. Benefits begin at \$90 per month and are affected by COLAs.

BackDROP payments are comprised of the amounts that retirees chose to be paid lump-sum or to roll-over into IRAs. BackDROP payments are computed based on 90% of the total benefits which would have been paid during an earlier retirement period (the BackDROP period), 1 to 5 years before actual retirement.

Long Term Disability benefits are based on 60% of the employee's salary preceding the disability date and are offset by social security disability benefits. These payments are for disabilities occurring prior to July 1, 2004.

Work-Related Disability benefits are calculated based on 70% of the employee's salary preceding the date of disability and are offset by social security disability benefits and workers' compensation payments. These payments are for disabilities occurring prior to July 1, 2004.

Normal Disability benefits are calculated as if the employee retired on the date of disability. These payments are for disabilities occurring prior to September 1, 2003.

Insured Disability Program represents the amount paid to a third-party provider for the insurance for long-term and work-related disabilities occurring on or after July 1, 2004.

Death Payments consist of \$5,000 payments to the beneficiary of regular, normal disability, or work-related disability recipients who retired after September 28, 1985.