



**Thomas A. Schweich**  
Missouri State Auditor

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# Transportation Development Districts



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# CITIZENS SUMMARY

## Findings in the audit of the Transportation Development Districts as of December 31, 2009

Background	As of December 31, 2009, 166 Transportation Development Districts (TDDs) had been established, with a reported total estimated transportation project costs of over \$1.6 billion and a reported total anticipated revenues of over \$2 billion. The 2009 TDD audit report provides information regarding the 166 TDDs and presents audit results for 8 specific TDDs: Meadows, Stone Ridge, Cross Creek, CB 5421/5975, Platte Valley Plaza, Raytown Highway 350, The Market at McKnight I, and Euclid Buckingham.
Notification	The General Assembly should consider legislation requiring the State Auditor's office be notified when a TDD is established, since state law requires the State Auditor's office to audit each TDD periodically.
Department of Revenue Collections	Three TDDs (Poplar Bluff Conference Center, North Main/Malone and Southtown) still collected their own sales taxes during 2010 even though a new state law required vendors to submit sales tax directly to the Department of Revenue. The General Assembly should consider further legislation to establish a penalty for non-compliance.
Financial Statements	Sixteen TDDs failed to file the required financial statement/report for 2009 with the State Auditor's office, and one TDD filed late, creating an aggregate maximum fine of \$810,500 as of August 31, 2010. The General Assembly should consider further legislation to authorize an agency to assess and collect such fines authorized by Section 105.145.8, RSMo.
	The following TDDs failed to file the required statement/report: North Kansas City Light Rail, 620 Market, First Capital Drive, I-44 and Highway 47, Indian Ridge Resort, Olive/Graeser, Poplar Bluff Conference Center, Spindler, Toad Cove Complex, Toad Cove Resort, Truman Road, Blue Ridge Town Centre, Country Club Plaza, Farris Family, Interstate Plaza/North Town Village, and Northwoods. North Main/Malone filed its financial statement late. In addition, the Stone Ridge TDD submitted inaccurate financial statements.
Competitive Bidding	Three of the eight selected TDDs need to improve their procurement practices and maintain documentation of competitive bidding processes. State law requires competitive bidding for certain TDD construction contracts, and competitive bidding helps ensure the district is getting the best value and gives all parties an equal chance to participate in district business.
Engineering Services	One of the eight selected TDDs failed to document the evaluation and selection of engineering services. It chose the engineering services provider because the same engineer was used for the private portion of the project.

Budgetary Matters	Five of the eight selected TDDs exhibited problems with their budgets. One TDD budgeted a deficit balance, and several failed to timely approve complete budgets.
Bank Reconciliations	One of the selected TDDs did not complete timely bank reconciliations, and another of the selected TDDs did not maintain a running balance for its checking account, so it did not know the applicable account balance to conduct a reconciliation.
Meetings	Three of the eight selected TDDs failed to hold annual board meetings.
Deposits	One of the selected TDDs did not timely deposit monies received, which increases the risk of loss, theft, or misuse of funds.
Financial Condition	One of the selected TDDs does not have sufficient receipts to pay its annual debt interest.
Prevailing Wages	Three of the eight selected TDDs failed to maintain evidence of compliance with prevailing wage laws.
Additional Comments	On a positive note, our audit of the Meadows TDD noted no matters which required reporting.

Because of the compound nature of this audit report, no overall rating is provided.

American Recovery and Reinvestment Act (Federal Stimulus)	The TDDs did not receive any federal stimulus monies during the audited time period.
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# Transportation Development Districts

## Table of Contents

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State Auditor's Report	2
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### Introduction

Background .....	3
Scope and Methodology.....	5

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### Management Advisory Report - State Auditor's Findings

Overall Audit Findings.....	9
Audit Findings of Selected Transportation Development Districts (TDD)	
1. Meadows TDD .....	10
2. Stone Ridge TDD .....	11
3. Cross Creek TDD.....	12
4. CB 5421/5975 TDD .....	14
5. Platte Valley Plaza TDD .....	15
6. Raytown Highway 350 TDD.....	16
7. The Market at McKnight I TDD .....	19
8. Euclid Buckingham TDD.....	20

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### Appendixes

A Information Regarding Establishment, Estimated Project Costs and Anticipated Revenues of Transportation Development Districts .....	22
B Schedule of Receipts, Disbursements, and Cash Balances- - Selected Transportation Development Districts, Fiscal Year 2007 to Fiscal Year 2009.....	28
C Information on Abolished Transportation Development Districts .....	30



# THOMAS A. SCHWEICH

## Missouri State Auditor

Honorable Jeremiah W. (Jay) Nixon, Governor  
and  
Members of the General Assembly

We have audited certain operations of selected transportation development districts (TDDs) as required by Section 238.272, RSMo. The objectives of our audit were to:

1. Report selected information regarding the various TDDs.
2. Evaluate internal controls over significant management and financial functions of selected TDDs.
3. Evaluate compliance with certain legal provisions of selected TDDs.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The audit reports (1) selected information regarding TDDs and recommendations for improvements to selected TDDs regarding (2) deficiencies in internal controls and (3) noncompliance with legal provisions. The accompanying Management Advisory Report presents our findings arising from our audit of the TDDs.

The accompanying information in the appendixes is presented for informational purposes. This information was obtained from TDD representatives and was not subjected to the procedures applied in our audit of the TDDs.

Thomas A. Schweich  
State Auditor

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# Transportation Development Districts

## Introduction

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### **Background**

The Transportation Development Districts Act, Sections 238.200 to 238.280, RSMo, allows for the formation of transportation development districts (TDDs). These entities are separate political subdivisions established and organized for the construction of roads, bridges, interchanges, or other transportation-related projects. The projects are generally financed through the issuance of revenue notes, revenue bonds, or other debt securities for a period not to exceed 40 years. TDDs are governed by a board of directors of not less than 5 nor more than 15 members. The board has the authority (after qualified voter approval<sup>1</sup>) to impose sales taxes or tolls, levy property taxes, and levy special assessments within the boundaries of the TDD to pay the expenditures of the entity, including the liquidation of debt incurred to fund the transportation-related projects. The revenues of a TDD, the majority of which are sales taxes, can only be used for transportation-related projects.

The process of establishing a TDD is initiated by the filing of a petition in the circuit court governing the boundaries of which the proposed district is located. Such a petition can be filed by: (1) not less than 50 registered voters within the proposed TDD, (2) all the owners of real property located within its proposed boundaries, if there are no eligible registered voters residing within the proposed district, (3) a local transportation authority (LTA), or (4) two or more LTAs. A county, city, special road district, or any other local public authority having jurisdiction over transportation projects and services can serve as a LTA.

Missouri state law requires a copy of the petition filed to establish a TDD be provided to the Missouri Highways and Transportation Commission (MoDOT) and each affected LTA. Those entities are then allowed to file an answer stating agreement with or opposition to the creation of the district. In addition, any resident, taxpayer, or any other entity within the proposed district may join in or file a petition supporting or answer opposing the creation of the district. The circuit court subsequently hears the case, if necessary, and makes a decision whether to authorize the establishment of the district.

Although there is no statutory annual audit requirement, many districts are required to obtain annual audits by revenue bond covenants. In addition, Section 238.272, RSMo, provides the State Auditor's office (SAO) shall audit each TDD once every 3 years, and may audit more frequently if deemed appropriate.

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<sup>1</sup> Section 238.202, RSMo, currently defines qualified voters as any persons residing within the proposed or established district who have registered to vote pursuant to Chapter 115, RSMo, and the owners of real property, who shall receive one vote per acre, provided that any registered voter who also owns property must elect whether to vote as an owner or a registered voter.

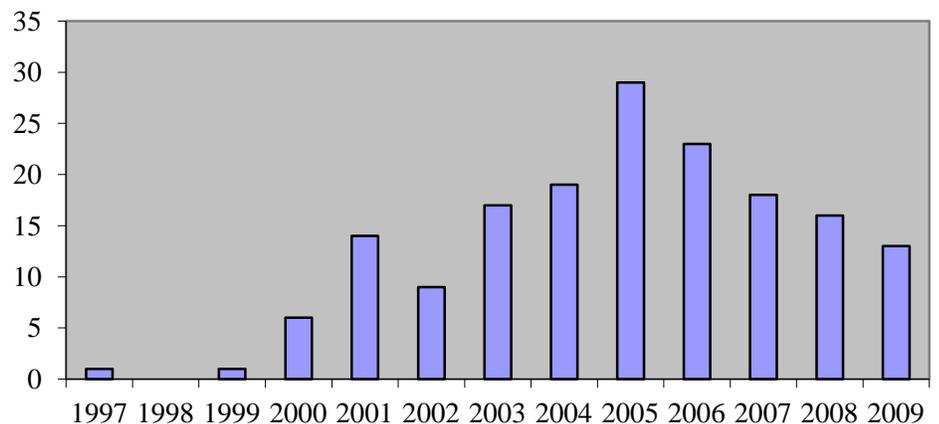


## Transportation Development Districts Introduction

Section 238.275, RSMo, provides for the abolishment of a TDD once its projects are completed, ownership of the projects has been transferred to MoDOT or the LTA, and the district has no outstanding liabilities. In addition, a TDD can be abolished if the board of directors determines the projects cannot be completed due to lack of funding or for any other reason. Prior to a TDD submitting the question to abolish the district to the applicable voters, the SAO must audit the TDD to determine its financial status, and whether it can be abolished. See Appendix C for information regarding abolished TDDs.

The Transportation Development Districts Act was enacted in 1990, and the first TDD was established in 1997. As of December 31, 2009, 166 TDDs were in existence in the state of Missouri (including 13 TDDs which were established in 2009). Almost 70 percent of the districts have been established in the state's two largest metropolitan area (with 80 and 37 of the TDDs located in St. Louis and Kansas City metropolitan areas<sup>2</sup>, respectively). Additionally, 64 (approximately 39 percent) TDDs were located either completely or partially in a tax increment financing redevelopment (TIF) area. See Appendix A for information regarding whether a particular TDD is located within a TIF area.

### Number of TDDs Established by Year



Officials/representatives of the TDDs reported total estimated transportation project costs of over \$1.6 billion. In addition, officials/representatives reported total estimated revenues of over \$2 billion would be collected over the lives of the respective TDDs (estimated project costs and anticipated

<sup>2</sup> The St. Louis metropolitan area is defined here as the geographic area that includes the city of St. Louis, St. Louis County, St. Charles County, Jefferson County, and Franklin County. The Kansas City metropolitan area is defined here as the geographic area that includes Jackson County, Platte County, Clay County, and Cass County.



## Transportation Development Districts Introduction

revenue information were not reported for some of the TDDs because information had not been determined or could not be located).

The table below shows the total estimated project costs and anticipated revenues of the 166 TDDs by various dollar ranges.

Dollar Range	Number of TDDs	
	Estimated Transportation Project Costs	Expected Revenue
\$0 to \$1 million	19	13
\$1 million to \$5 million	68	48
\$5 million to \$10 million	25	34
\$10 million to \$15 million	18	13
\$15 million to \$35 million	22	27
More than \$35million	9	13
Not reported	5	18

## Scope and Methodology

The scope of the audit included, but was not necessarily limited to, the 3 years ended December 31, 2009.

Our methodology included gathering information regarding the TDDs established in 2009, through discussions with various MoDOT officials and from a TDD database and files maintained by that agency. Information obtained included TDD name, location, applicable county/municipality, date established, identity of the individual(s)/entity who filed the petition, the type of funding (i.e., sales taxes, property taxes, etc.), and the funding rate (e.g., 1 percent). Some of this information is presented in Appendix A.

To determine and report estimated project costs and estimated revenues of the TDDs newly established in 2009, survey questionnaires were sent requesting information including, but not limited to, the geographic location of the TDD, estimated total project costs, how project costs were financed and the amount of that financing, estimated total revenues to be collected and over what period of time, when the collection of revenue and initial expenses began, the party responsible for collection of the revenues and administering the funds, whether financial audits have been conducted by an independent auditor, the name of the development and type of businesses in the district, and whether or not the TDD is located in a TIF area. Some of the survey information received from the TDDs is presented in Appendix A.

Relative to our audit responsibilities pursuant to Section 238.272, RSMo, we selected and conducted audit work related to various TDDs (the selected districts). To evaluate internal controls at the selected districts, we reviewed written policies and procedures, financial records, and other pertinent documents; and interviewed various personnel of the district, as well as



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## Transportation Development Districts Introduction

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certain external parties. To evaluate compliance with certain legal provisions at selected districts, we obtained an understanding of legal requirements related to TDDs, and reviewed meeting minutes, budgets, and financial statements.

Some data presented in Appendixes A and B was compiled from survey information submitted by officials/representatives of the various TDDs and the annual financial or audit reports submitted by those districts. This information was not verified for accuracy by us. If any information presented in Appendix A of the prior report was found to have changed since the previous audit, that information was updated on the current appendixes to the extent those changes were noted by us or brought to our attention. The financial data presented in Appendix B is presented as classified by the districts or the districts' independent auditors, if applicable; therefore, some disbursements may be classified in an inconsistent manner.

The following table includes the 37 TDDs considered for audit during our current audit, including the 8 TDDs selected for review. Some of the TDDs had financial statement audits performed by independent auditors.



## Transportation Development Districts Introduction

TDD Name	Date Established	Fiscal Year End	Financial Statement Audits		Unaudited	
			Selected for Review by SAO	Not Selected for Review by SAO	Selected for Review by SAO	Not Selected for Review by SAO
Brentwood/Strassner Road	02/24/04	12/31		X		
Hutchings Farm Plaza	03/04/04	12/31				X
Mexico Road	04/08/04	12/31				X
Southtown	04/12/04	12/31				X
Francis Place	04/13/04	12/31				X
Poplar Bluff Conference Center	05/04/04	12/31				X
Eureka Commercial Park	05/10/04	12/31				X
Hanley Road and North of Folk Avenue	05/19/04	12/31		X		
Megan Shoppes	06/07/04	12/31		X		
Folk Avenue South	07/14/04	06/30		X		
St. Joseph Gateway	07/20/04	12/31				X
Park Hills	07/28/04	12/31				X
Hawk Ridge	09/02/04	06/30		X		
Olive Boulevard	09/09/04	06/30		X		
Shoppes at Stadium	09/27/04	12/31		X		
Stadium Corridor	10/04/04	12/31				X
Chesterfield Commons	10/12/04	12/31				X
Eureka Old Town	10/12/04	06/30				X
North Main/Malone	11/19/04	12/31				X
Meadows	01/04/07	12/31	X			
Stone Ridge	01/24/07	12/31			X	
Shoppes at Hilltop	02/06/07	12/31		X		
Spindler	02/07/07	Unknown				X
St. Cyr Road TDD	02/20/07	12/31		X		
Cross Creek	02/26/07	12/31			X	
Highway 367 & Parker Road	03/02/07	12/31				X
CB 5421/5975	03/05/07	12/31			X	
Platte Valley Plaza	03/09/07	12/31			X	
Adler Lofts	03/12/07	12/31				X
South Manchester	03/30/07	12/31				X
Independence Avenue & Colbern Road	05/02/07	12/31				X
Raytown Highway 350	05/07/07	10/31			X	
The Market at McKnight I	05/11/07	12/31			X	
Bottle District	05/17/07	12/31				X
Euclid Buckingham	06/14/07	12/31			X	
Harrisonville Market Place A	08/27/07	12/31				X
Harrisonville Market Place B	08/27/07	12/31				X

The audited district was selected because of the significance of its financial activity, with expenditures in excess of \$5 million during fiscal years 2007 through 2009. The seven unaudited districts were selected because their



## Transportation Development Districts Introduction

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transportation projects were substantially completed and/or significant financial activity was incurred by the TDD or developer during 2007 through 2009, and/or other considerations. The reported disbursements of the 20 unaudited districts which were not selected totaled less than \$2.8 million during fiscal years 2007 through 2009.

A Schedule of Receipts, Disbursements, and Cash Balances for the eight selected districts is presented in Appendix B. The financial information of the selected districts is presented on a cash basis, and reflects the financial activity and balances of the selected TDDs during the applicable years; however, it does not reflect any project-related costs incurred by the developers that were not yet reimbursed by the applicable districts. In some cases, those unreimbursed developer-incurred costs are substantial.

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# Transportation Development Districts Management Advisory Report State Auditor's Findings

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## Overall Audit Findings

1. Notification

There is no statutory provision which requires the State Auditor's office (SAO) to be notified when a transportation development district (TDD) is established. Section 238.272, RSMo, requires the SAO to audit each TDD at least every 3 years, and more frequently if deemed necessary, and Section 238.275.3, RSMo, requires the SAO to audit a TDD prior to a vote regarding its abolishment. Also, Section 105.145, RSMo, requires all political subdivisions in the state to file an annual financial report with the SAO.

Although the SAO is contacted by some TDD representatives when a district is established, the SAO has generally had to consult with MoDOT officials to identify newly established TDDs. While these communications with MoDOT have allowed us to identify and track most of the TDDs, there have been instances where we later became aware of the existence of a TDD.

**Recommendation** The General Assembly consider further legislation to require TDD officials to notify the SAO when a TDD is established.
2. Department of Revenue Collections

During 2010, the Poplar Bluff Conference Center TDD, North Main/Malone TDD, and Southtown TDD collected their own sales taxes. Effective January 1, 2010, Section 238.235, RSMo, requires TDD sales taxes be remitted to the DOR, who then remits the collections to the TDD. Previously, businesses located within a TDD collected the applicable sales tax and remitted it to the TDD directly.

Although state law requires the DOR to collect district sales taxes, the statutes do not provide penalties for non-compliance.

**Recommendation** The General Assembly establish a penalty for non-compliance with collection procedures provided by state law.
3. Financial Reporting

Of the 166 districts in existence at December 31, 2009, 17 (10.24 percent) districts filed financial statement/audit reports late or did not file a financial statement with the SAO, as required by law, creating a fine of up to \$810,500 as of August 31, 2010. North Main/Malone TDD filed its financial statement late, while the remaining 16 districts had not filed a financial statement as of August 31, 2010.



Transportation Development Districts  
 Management Advisory Report - State Auditor's Findings

TDD Name	Fiscal Year End	Maximum fine to be assessed as of August 31, 2010
North Kansas City Light Rail TDD	09/30/09	\$101,500
620 Market TDD	12/31/09	56,500
First Capital Drive TDD	12/31/09	56,500
I-44 and Highway 47 TDD	12/31/09	56,500
Indian Ridge Resort TDD	12/31/09	56,500
Olive/Graeser TDD	12/31/09	56,500
Poplar Bluff Conference Center TDD	12/31/09	56,500
Spindler TDD	12/31/09	56,500
Toad Cove Complex TDD	12/31/09	56,500
Toad Cove Resort TDD	12/31/09	56,500
Truman Road TDD	12/31/09	56,500
Blue Ridge Town Centre TDD	12/31/09	26,000
Country Club Plaza TDD	12/31/09	26,000
Farris Family TDD	12/31/09	26,000
Interstate Plaza/North Town Village TDD	12/31/09	26,000
Northwoods TDD	12/31/09	26,000
North Main/Malone TDD	12/31/09	14,000

Section 105.145, RSMo, requires transportation development districts (TDDs) to file annual financial statements with the SAO. Section 105.145.8, RSMo, states that any district that fails to timely submit a copy of the annual financial statement to the SAO shall be subject to a fine not to exceed \$500 per day. 15 CSR 40-3.030 provides if a political subdivision is audited by an independent auditor, a copy of the audit report can be filed in lieu of a separate financial report. The annual financial report is to be filed within 4 months of the entity's fiscal year end, while an audit report can be filed within 6 months of the entity's fiscal year end.

While a fine for late filing of the financial statement/audit report was authorized, the law does not establish the agency responsible for assessment and collection authority of the fines.

**Recommendation**

The General Assembly establish legislation authorizing an agency of the state with assessment and collection authority for the fines for late filing of financial statements/audit reports.

**Audits of Selected Districts**

The following section reports information related to the eight TDDs selected for review. The selected districts are presented in the order of date established.

**1. Meadows TDD**

The Meadows TDD was organized in January 2007 by a petition filed by the property owner/developer and the City of Lake St. Louis. The district is



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Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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located in Lake St. Louis. The Board of Directors and officers include three representatives from the City of Lake St. Louis and two representatives of the property owner/developer. The qualified voter of the district is the property owner/developer. The district has a fiscal year end of December 31 and did have independent audits performed during the 3 years ended December 31, 2009. The City of Lake St. Louis and St. Charles County were the LTAs.

During our audit work related to this TDD, we noted no matters which needed to be reported.

## 2. Stone Ridge TDD

The Stone Ridge TDD was organized in January 2007 by a petition filed by the property owner/developer and is located in Jefferson City. The Board of Directors and officers are representatives of the developer. The qualified voter of the district is the property owner/developer. The district has a fiscal year end of December 31 and did not have independent audits performed during the 3 years ended December 31, 2009. The City of Jefferson City was the LTA.

During our audit work related to this TDD, we noted the following:

### 2.1 Financial statements

Financial statements submitted to the SAO were not accurate. The December 31, 2007, cash balance on the financial statement originally submitted to the SAO did not agree with the January 1, 2008, cash balance listed on the financial statement. In April 2010, the district submitted an amended financial statement to correct the December 31, 2007, cash balance. However, the December 31, 2007, cash balance reported on the amended financial statement did not agree to either the accounting records or bank documentation. After bringing this to the district's attention, the district submitted another amended financial statement which agreed to accounting records and bank documentation.

The December 31, 2008, financial statement indicated advances from the bank of \$1,297,430. Actual advances from the bank were \$1,001,104 and \$296,326 was advanced from the developer. Complete and accurate financial statements are necessary to keep citizens informed of the financial activity and condition of the district.

### 2.2 Bank reconciliations

Monthly bank reconciliations are not adequate. The district does not maintain a running balance for the operating fund, so the district does not know the applicable balance to reconcile to when preparing the reconciliation. While the district stated bank reconciliations were performed, the district did not retain documentation of the bank reconciliations.



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Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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Preparation of monthly bank reconciliations and maintenance of records of cash balances is necessary to ensure the bank account is in agreement with accounting records and to detect and correct errors. Additionally, complete documentation of reconciliations should be maintained to support conclusions and corrections and to facilitate independent reviews.

### 2.3 Budgets

Budgets are not in compliance with state law. The annual budgets for 2007, 2008, and 2009 did not contain a general budget summary or actual receipts and disbursements for the 2 preceding years, and the 2008 budget reflected a deficit budgeted balance. In addition, actual disbursements exceeded budgeted disbursements in 2008 and 2009, by approximately \$1.1 million and \$3.1 million, respectively.

Sections 67.010 to 67.040, RSMo, include provisions regarding annual budgets.

### Recommendations

The Board of Directors:

- 2.1 Prepare accurate financial statements which provide citizens an accounting of all financial activity of the district.
- 2.2 Ensure complete bank reconciliations are retained and a running book balance is maintained.
- 2.3 Prepare annual budgets in accordance with state law and ensure actual disbursements do not exceed budgeted amounts.

### Stone Ridge TDD Response

*The Stone Ridge TDD Board of Directors provided the following written response:*

*The District hereby acknowledges recommendations 2.1, 2.2, and 2.3 in your report, and particular attention will be paid moving forward to ensure that the District's financial records, annual reports, and ongoing budget items are in full compliance with all requirements of the State Auditor's Office and Missouri state law. The District's accountant has reviewed the other financial information provided in your report and has indicated that it is accurate.*

### 3. Cross Creek TDD

The Cross Creek TDD was organized in February 2007 by a petition filed by the property owner/developer and is located in Columbia. The Board of Directors and officers are representatives of the developer. The qualified voter of the district is the property owner/developer. The district has a fiscal year end of December 31 and did not have independent audits performed during the 3 years ended December 31, 2009. MoDOT had jurisdiction over the project, and the City of Columbia and Boone County were the LTAs.



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Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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During our audit work related to this TDD, we noted the following:

### 3.1 Competitive bidding

The district did not ensure contractors were selected through a competitive bid process. Documentation to support the procurement of the contractor was not maintained.

Section 238.252, RSMo, requires all construction contracts in excess of \$5,000 between a TDD and a private contractor be competitively bid and awarded to the lowest and best bidder. In addition, the cooperative agreement with MoDOT requires the district or its contractor to solicit competitive bids.

### 3.2 Prevailing wages

The district was unable to provide evidence of compliance with prevailing wage provisions related to district projects.

The MoDOT and Cross Creek TDD Cooperative Agreement requires the district and its subcontractor to pay the prevailing hourly rate of wages for each craft or type of worker required to complete the roadway project as determined by the Missouri Department of Labor and Industrial Relations. In addition, Sections 290.210 to 290.340, RSMo, include provisions regarding prevailing wages.

### 3.3 Meetings

The Board failed to hold meetings as required. The property owners held the initial meeting on March 21, 2007, followed by a Board of Directors meeting. The Board of Directors met again in August and September 2007. The property owners and Board of Directors did not meet in 2008 or 2009.

Article IV, Section 4 of the district by-laws require a property owners meeting at least every 13 months, with a board meeting to immediately follow the property owners meeting. Holding meetings at least annually would meet the requirements of the by-laws and allow the district to conduct necessary business.

## Recommendations

The Board of Directors:

- 3.1 Ensure bids are solicited for all applicable purchases in accordance with state law and sufficient documentation is maintained.
- 3.2 Ensure adequate documentation is submitted to substantiate prevailing wages are paid on construction projects, as required by state law.
- 3.3 Conduct a meeting at least once every 13 months, as required by district by-laws.



Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

Cross Creek TDD  
Response

*The Cross Creek TDD Board of Directors did not provide a response.*

4. CB 5421/5975  
TDD

The CB 5421/5975 TDD was organized in March 2007 by a petition filed by the property owners/developer and is located in St. Louis. The Board of Directors and officers are representatives of the developer. The qualified voters of the district are the property owners. The district has a fiscal year end of December 31 and did not have independent audits performed during the 3 years ended December 31, 2009. The City of St. Louis was the LTA.

During our audit work related to this TDD, we noted the following:

4.1 Budgets

Budgets are not prepared timely. The district did not prepare the 2009 and 2008 budgets until June 2010, when the 2010 budget was prepared. One cause of the failure to adopt budgets was the lack of formal board meetings in 2008 and 2009. (See section 4.5).

Sections 67.010 to 67.040, RSMo, include provisions regarding annual budgets.

4.2 Deposits

Monies received were not deposited timely. District records indicate monies were received and posted as early as November 1, 2008, but were not deposited until February 1, 2009.

To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, all monies received should be recorded and deposited timely.

4.3 Bank reconciliations

Bank reconciliations are not completed timely. The district records indicate the December 31, 2008, bank reconciliation was completed on June 14, 2009.

Timely preparation of monthly bank reconciliations is necessary to ensure the bank account is in agreement with accounting records and to detect and correct errors in a timely manner.

4.4 Financial condition

District receipts are not sufficient to pay the annual interest on the debt incurred for the district project. The district has incurred approximately \$330,280 in interest costs since the bonds were issued; however, the district has only paid \$116,314. The district indicated that beginning in approximately 12 years, the district will no longer be required to make TIF payments, increasing revenue for debt repayments.

4.5 Meetings

The Board failed to hold annual meetings. The Board met in August 2008, and the next meeting was in June 2010.



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Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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Article V, Section 2 of the district by-laws require the district to hold an annual meeting to appoint officers of the district. Holding meetings at least annually would meet the requirements of the by-laws and allow the district to conduct necessary business, such as adopting annual budgets.

## Recommendations

The Board of Directors:

- 4.1 Prepare annual budgets which contain all information required by state law.
- 4.2 Deposit receipts timely.
- 4.3 Ensure bank reconciliations are performed timely.
- 4.4 Monitor the financial condition of the district to provide sufficient cash to make annual interest payments.
- 4.5 Conduct a meeting at least once per year.

## CB 5421/5975 TDD Response

*The CB 5421/5975 TDD Board of Directors provided the following written response:*

*The District does not intend to comment on the report.*

## 5. Platte Valley Plaza TDD

The Platte Valley Plaza TDD was organized in March 2007 by a petition filed by the property owner/developer and is located in Platte City. The original Board of Directors and officers included three representatives of the developer and two representatives of the city. The current Board of Directors and officers include two members of the city council, two local business owners (not related to the developer), and one member as a representative of the developer. The boundaries of the district were amended in May 2008 to include additional property within the district. The qualified voters of the district are the property owners within the district. The district has a fiscal year end of December 31 and did not have independent audits performed during the 3 years ended December 31, 2009. MoDOT had jurisdiction over this project, and the City of Platte City was the LTA.

During our audit work related to this TDD, we noted the following:

### 5.1 Budgets

Budgets were not approved timely and did not always comply with state law. The 2008 budget was approved in April 2008, and amended in May 2009. The 2009 budget was approved in May 2009. Budgets did not always list the detailed receipts or disbursements, and the 2 previous years actual receipts and disbursements were not included.



Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

Sections 67.010 to 67.040, RSMo, include provisions regarding annual budgets.

Recommendations

The Board of Directors:

- 5.1 Prepare annual budgets which contain all information required by state law.

Platte Valley TDD  
Response

*The Platte Valley TDD Board of Directors provided the following written response:*

- 5.1 *The District will, with respect to all future budgets, timely approve its annual budget and include in each annual budget, all information required by Missouri law.*

6. Raytown Highway 350  
TDD

The Raytown Highway 350 TDD was organized in May 2007 by a petition filed by the property owners and is located in Raytown. The original Board of Directors and officers included three representatives from the City of Raytown, and two members of the Raytown Consolidated School District No. 2, or the original property owners within the district. The Raytown Consolidated School District sold their property within the district and are no longer authorized to appoint members to the district board. The current Board of Directors and officers are employees of the City of Raytown. The qualified voters of the district are the property owners within the district. The district has a fiscal year end of October 31 and did not have independent audits performed during the 3 years ended October 31, 2009. MoDOT had jurisdiction over this project, and the City of Raytown was the LTA.

During our audit work related to this TDD, we noted the following:

6.1 Prevailing wages

The district did not adequately monitor the provisions of the contract with the City of Raytown regarding contractor compliance with prevailing wage laws as required by its contract with MoDOT. At our request, the district requested the City of Raytown provide an affidavit from the contractor indicating it had complied with prevailing wages.

The district entered into a Cooperative Agreement with the City of Raytown that outlines the district serves only as a funding source for repayment of the TDD portion of the TIF bonds and relied on the City of Raytown to monitor payment of prevailing wages; however, the district entered into a cooperative agreement with MoDOT which requires the district and its sub-contractors to pay or provide for the payment of the prevailing hourly rate of wages for each craft or type of worker required to complete the district projects.



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Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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The district should maintain documentation to provide evidence of compliance of prevailing wages paid to workers on district projects to meet the requirements of the agreement with MoDOT. In addition, Sections 290.210 to 290.340, RSMo, include provisions regarding prevailing wages.

## 6.2 Budgets

The 2010 budget was not approved timely. The district began collecting sales taxes in December 2009; however, the 2010 budget was not approved until May 2010, 7 months into the operating year.

Sections 67.010 to 67.040, RSMo, include provisions regarding annual budgets.

## 6.3 Competitive bidding

The district did not ensure the contractors selected by the City of Raytown for the district project were selected through a competitive bid process as required by its contract with MoDOT. The district indicated it entered into a cooperative agreement with the City of Raytown and it was the city's responsibility to ensure compliance with all applicable laws, including competitive bidding. After our inquiry regarding competitive bidding, the district provided an affidavit from the developer which listed the names of six companies which provided bids for the construction of district projects. Although the city performed the contracting, TDD monies are to repay a portion of the TIF bonds and the district has a statutory obligation to ensure procurement of the contractor or subcontractor has been a competitive process.

Section 238.252, RSMo, requires all construction contracts in excess of \$5,000 involving a TDD and a private contractor be competitively bid and awarded to the lowest and best bidder. In addition, the cooperative agreement with MoDOT requires the district or its contractor to solicit competitive bids.

## 6.4 Meetings

The district failed to hold annual meetings. The Board met in May 2007, and the next meeting was in April 2010. The developer was to appoint three members to the board; however, the developer did not appoint board members, and therefore, city employees were appointed to the original board. The city appointed board members resigned from the board and the developer did not submit the names of potential board members for appointment, therefore, the board did not meet.

Article V, Section 2 of the district by-laws requires the district hold an annual meeting to appoint officers of the district. Holding meetings at least annually would meet the requirements of the by-laws and allow the district to conduct necessary business, such as adopting annual budgets.



Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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Recommendations

The Board of Directors:

- 6.1 Ensure adequate supporting documentation is submitted to substantiate prevailing wages are paid on construction projects as required by law.
- 6.2 Prepare annual budgets which contain all information required by state law.
- 6.3 Ensure bids are solicited for all applicable purchases in accordance with state law and sufficient documentation is maintained.
- 6.4 Conduct a meeting at least once per year.

Raytown Highway 350 TDD  
Response

*The Raytown Highway 350 TDD Board of Directors provided the following written response:*

- 6.1 *The District and the Missouri Highway and Transportation Commission (the "MHTC") entered into a Cooperative Agreement (the "MHTC Agreement") on July 24, 2007. Section 4.1 of the MHTC Agreement provides that the District may cause to be executed with the City of Raytown ("the City") a construction contract with a contractor to construct the improvements that are funded, in part, with District revenues. The District did not enter into a contract directly with the contractor that constructed the District projects and did not pay wages directly, but instead entered into a Cooperative Agreement with the City (May 23, 2007) ("the City Agreement"). Section 4.1 of the City Agreement provides that the District's sole role is to fund and assist in the funding of the District projects, and all construction shall occur by or at the direction of the City or MHTC. MHTC, with respect to improvements in state right-of-way, and the City, with respect to all other improvements, had the obligation to monitor the contractor to ensure compliance with prevailing wage laws.*
- 6.2 *The District was formed and held its first meeting in 2007. The District was formed on the initiative of the City several years before construction of the retail project within the District area to facilitate bond financing by the City. After the first District meeting occurred in 2007, the District did not begin generating sales tax revenue until the fourth quarter of 2009. During the time from 2007 through the fourth quarter of 2009, three of the five members of the District Board of Directors (the "District Board") moved out of the area and were no longer associated with this project, and the terms of the other two members expired. The District did not receive the names of eligible candidates, and was not able to hold an election*



Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

*of the property owner to repopulate the District Board, until May 2010. Immediately after the May 2010 election, the new members of the District Board held a meeting to take all necessary annual actions, including approval of the annual budget.*

6.3 *Section 3.3(D) of the MHTC Agreement provides that the District may cause certain actions, including competitive bidding for the District projects, to be taken by other parties. Section 4.1 of the City Agreement provides that MHTC, with respect to improvements in state rights-of-way, or the City, with respect to all other improvements, had the obligation to ensure that competitive bidding occurred for the District projects. The affidavit of the contractor, as supplied to the District by the City, identifies six companies that bid for the construction of the District projects.*

6.4 *During fiscal years 2008 and 2009, the District did not conduct any business and it did not collect any revenue. The District Board did not meet during fiscal years 2008 or 2009 because there was no business to discuss, no actions to consider, no revenue to expend, and no items that could have been placed on an agenda.*

Auditor's Comment

6.4 During the 2 year period the TDD Board did not meet, the project the TDD was formed to construct was in progress. Whether revenues were collected or not, the Board should have met, not only to meet the requirements of the by-laws, but also to monitor construction activity, such as meeting state law requirements for bidding of the project and prevailing wage laws.

7. The Market at  
McKnight I TDD

The Market at McKnight I TDD was organized in May 2007 by a petition filed by the property owners/developer and is located in Rock Hill. The Board of Directors and officers includes four representatives of the developer and two representatives of the City of Rock Hill. The qualified voters of the district are the property owners. The district has a fiscal year end of December 31 and did not have independent audits performed during the 3 years ended December 31, 2009. MoDOT had jurisdiction over this project, and the City of Rock Hill was the LTA.

During our audit work related to this TDD, we noted the following:

7.1 Prevailing wages

We requested the district to provide documentation to support compliance with prevailing wages, however the district did not respond to our request. Certified contractor payrolls reviewed by the district, or, at a minimum, an affidavit of compliance with prevailing wage laws from the contractor were not provided. We requested documentation of the prevailing wages; however, the district did not produce the documentation.



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Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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The District entered into a cooperative agreement with the MoDOT which requires the district and its sub-contractors to pay or provide for the payment of prevailing hourly rate of wages for each craft or type of worker required to complete district projects. The district should maintain documentation to provide evidence of compliance of prevailing wages paid to workers of district projects. Sections 290.210 to 290.340, RSMo, include provision regarding prevailing wages.

### 7.2 Competitive bidding

The district did not ensure contractors were selected through a competitive bid process. We requested documentation of the competitive bids for the procurement of the contractor; however, the district did not produce the documentation.

Section 238.252, RSMo, requires all construction contracts in excess of \$5,000 involving a TDD and a private contractor be competitively bid and awarded to the lowest and best bidder. In addition, the cooperative agreement with MoDOT requires the district or its contractor to solicit competitive bids.

### 7.3 Engineer selection

The district did not document its selection of engineering services for the related transportation projects. The provider of engineering services was chosen based on the fact that the same engineer was used for the private portion of the project.

Sections 8.285 to 8.291, RSMo, provide guidance on the selection of engineering, architectural, and surveying services.

## Recommendations

The Board of Directors:

- 7.1 Ensure adequate supporting documentation is submitted to substantiate prevailing wages are paid on construction projects, as required by state law.
- 7.2 Ensure bids are solicited for all applicable purchases in accordance with state law and sufficient documentation is maintained.
- 7.3 Comply with state law when procuring engineering services and document the evaluation and selection process.

### The Market at McKnight I TDD Response

*The Market at McKnight TDD's Board of Directors did not provide a response.*

### 8. Euclid Buckingham TDD

The Euclid Buckingham TDD was organized in June 2007 by a petition filed by the property owner/developer and is located in St. Louis. The Board of Directors and officers include three members from the City of St. Louis,



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Transportation Development Districts  
Management Advisory Report - State Auditor's Findings

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one member of the contractor, and one outside director. The qualified voters of the district currently are the property owners/residents. The fiscal year end is December 31, and the district did not have independent audits performed during the 3 years ended December 31, 2009. The City of St. Louis was the LTA.

During our audit work related to this TDD, we noted the following:

8.1 Budgets

The district did not adopt a budget for fiscal year 2010, although the district sales tax was effective July 2010.

Sections 67.010 to 67.040, RSMo, include provisions regarding annual budgets.

Recommendation

The Board of Directors:

- 8.1 Prepare annual budgets which contain all information required by state law.

Euclid Buckingham TDD  
Response

*The Euclid Buckingham TDD's Board of Directors did not provide a response.*

APPENDIX A

Transportation Development Districts  
 Information Regarding Establishment, Estimated Project Costs, and Anticipated Revenues of Transportation Development Districts

District Name	Date Established	Fiscal Year End	County	Municipality	Petition To Establish Was Filed By:	Number of Property Owners	Estimated Project Costs	TDD's Estimated Life	Total Anticipated Revenues	Sales Tax Rate (A)	TDD Within a TIF district?
<b>Benton County</b>											
US Highway 65 and Truman Dam Access	03/12/03	12/31	Benton	Warsaw	Property Owners	1	\$ 2,000,000	25 Years	\$ 4,250,000	0.500%	No
<b>Boone County</b>											
CenterState	08/05/02	12/31	Boone	Columbia	Property Owners	1	7,542,000	21 Years	8,000,000	0.500%	No
Lake of the Woods	03/24/03	12/31	Boone	Columbia	Property Owners	2	2,700,000	30 Years	Unknown	0.500%	No
Shoppes at Stadium	09/27/04	12/31	Boone	Columbia	Property Owners	1	2,500,000	15 Years	4,000,000	0.500%	No
Stadium Corridor	10/04/04	12/31	Boone	Columbia	Property Owners	4	13,819,603	25 Years	16,120,457	0.500%	No
Grindstone Plaza	01/31/05	12/31	Boone	Columbia	Property Owners	3	9,400,000	30 Years	24,000,000	0.500%	No
Broadway-Fairview	05/10/05	12/31	Boone	Columbia	Property Owners	1	5,000,000	40 Years	17,000,000	0.500%	No
Northwoods	07/22/05	12/31	Boone	Columbia	Property Owners	1	1,120,000	30 Years	6,000,000	0.500%	No
Conley Road	12/09/05	12/31	Boone	Columbia	Property Owners	3	20,000,000	35 Years	57,000,000	0.500%	No
Blue Ridge Town Centre	02/04/06	12/31	Boone	Columbia	Property Owners	1	Unknown	Unknown	Unknown	1.000%	No
Columbia Mall	08/04/06	12/31	Boone	Columbia	Property Owners	4	22,000,000	22 Years	10,500,000	0.500%	No
Gans Road and U.S. 63	12/12/06	12/31	Boone	Columbia	Property Owners	2	29,000,000	Unknown	30,000,000	0.500%	No
Cross Creek	02/26/07	12/31	Boone	Columbia	Property Owners	1	10,200,000	25 Years	5,084,948	0.500%	No
Rock Bridge Center	04/29/08	12/31	Boone	Columbia	Property Owners	1	Unknown	Unknown	Unknown	0.500%	No
<b>Buchanan County</b>											
St. Joseph Gateway	07/20/04	12/31	Buchanan	St. Joseph	Property Owners	1	4,000,000	23 Years	1,821,212	1.000%	Yes
Tuscany Village	12/21/05	12/31	Buchanan	St. Joseph	Property Owners	1	13,000,000	23 Years	7,200,000	0.250%	Yes
<b>Butler County</b>											
Poplar Bluff Conference Center	05/04/04	12/31	Butler	Poplar Bluff	Property Owners	1	2,400,000	40 Years	2,000,000	1.000%	No
Cripple Creek	11/28/05	12/31	Butler	Poplar Bluff	Property Owners	1	2,087,628	Unknown	Unknown	1.000%	No
<b>Callaway</b>											
Fulton South Business 54	06/12/06	12/31	Callaway	Fulton	Property Owners & City of Fulton	4	1,400,000	30 Years	2,700,000	0.500%	Yes
<b>Camden County</b>											
Osage Station	07/19/05	12/31	Camden	Osage Beach	Property Owners	1	1,700,000	23 Years	1,700,000	0.750%	No
Toad Cove Complex	05/02/08	12/31	Camden	Lake Ozark	Property Owners	2	2,000,000	Unknown	Unknown	1.000%	No
Toad Cove Resort	05/02/08	12/31	Camden	Lake Ozark	Property Owners	2	3,000,000	40 Years	Unknown	1.000%	No
Horseshoe Bend Pedestrian Corridor	06/10/08	12/31	Camden	N/A	Property Owners	1	3,000,000	35 Years	5,940,146	1.000%	No
<b>Cass County</b>											
Belton Town Centre	11/17/03	12/31	Cass	Belton	Property Owners	10	19,000,000	23 Years	5,480,360	1.000%	Yes
Harrisonville Towne Center	12/12/05	12/31	Cass	Harrisonville	Property Owners	1	1,124,000	23 Years	Unknown	1.000%	Yes
Cornerstone Pointe	10/10/06	12/31	Cass	Belton	Property Owners	1	2,000,000	25 Years	5,910,656	1.000%	No
Belton/Raymore Interchange	10/30/06	10/31	Cass	Belton/Raymore	Property Owners & City of Belton	3	13,000,000	20 Years	Unknown	0.500%	No
Harrisonville Market Place A	08/27/07	12/31	Cass	Harrisonville	Property Owners	(C) 1	Unknown	Unknown	Unknown	Unknown	Unknown
Harrisonville Market Place B	08/27/07	12/31	Cass	Harrisonville	Property Owners	(C) 2	Unknown	Unknown	Unknown	Unknown	Unknown
Hubach Hill Road & North Cass Parkway	08/25/08	10/31	Cass	Raymore	Property Owners	1	6,831,443	32 Years	6,761,930	0.250%	No
Hwy 71/291 Partners in Progress	01/12/09	12/31	Cass	Harrisonville	City of Harrisonville	50	29,500,000	20 years	20,000,000	1.000%	No
<b>Christian County</b>											
Town and Country Village	10/02/09	12/31	Christian	City of Ozark	Property Owners	1	8,930,000	40 years	11,000,000	1.000%	No
Ozark Centre	04/25/03	12/31	Christian	Ozark	Property Owners	1	3,408,293	20 Years	6,000,000	0.375%	No

APPENDIX A

Transportation Development Districts  
 Information Regarding Establishment, Estimated Project Costs, and Anticipated Revenues of Transportation Development Districts

District Name	Date Established	Fiscal Year End	County	Municipality	Petition To Establish Was Filed By:	Number of Property Owners	Estimated Project Costs	TDD's Estimated Life	Total Anticipated Revenues	Sales Tax Rate (A)	TDD Within a TIF district?
<b>Clay County</b>											
Tower	02/15/06	12/31	Clay	Gladstone	Property Owners	2	1,000,000	30 Years	1,700,000	1.000%	No
Briarcliff Parkway and Highway 9	05/17/06	12/31	Clay	Kansas City	Property Owners	1	7,036,020	20 Years	3,450,988	0.500%	Yes
North Kansas City, Missouri Light Rail	11/04/08	9/30	Clay	North Kansas City	City of North Kansas City & NKC Special Road Dist	(B)	56,000,000	25 Years	56,000,000	0.500%	No
210 Highway	09/23/97	3/31	Clay	Kansas City	Property Owners	1	8,587,389	11 Years	5,972,759	1.000%	No
<b>Cole County</b>											
Commons of Hazel Hills	08/11/05	12/31	Cole	Jefferson City	Property Owners	1	12,000,000	15 Years	23,000,000	1.000%	No
U.S. Highway 50/63 and City View	09/25/06	12/31	Cole	Jefferson City	Property Owners	2	14,700,000	20 Years	8,000,000	1.000%	No
Stone Ridge	01/24/07	12/31	Cole	Jefferson City	Property Owners	1	3,106,782	20 Years	2,350,000	1.000%	No
<b>Cooper County</b>											
Boonville Riverfront	02/09/01	12/31	Cooper	Boonville	Property Owners & City of Boonville	1	3,908,420	40 Years	4,000,000	1.000%	No
<b>Franklin County</b>											
I-44 & HWY 47	04/21/09	12/31	Franklin	St. Clair	City of St. Clair	20	2,688,640	30 years	2,520,000	1.000%	Yes
<b>Greene County</b>											
Heer's Tower	03/16/06	6/30	Greene	Springfield	Property Owners & City of Springfield	3	8,826,627	25 Years	187,500	1.000%	No
College Station	03/16/06	6/30	Greene	Springfield	Property Owners & City of Springfield	2	8,600,000	25 Years	4,400,000	1.000%	No
<b>Jackson County</b>											
Strother Interchange	01/21/00	12/31	Jackson	Lee's Summit	Property Owners	1	25,846,800	35 Years	4,231,781	0.500%	Yes
Douglas Square	09/21/00	12/31	Jackson	Lee's Summit	Property Owners	4	450,000	20 Years	4,320,746	1.000%	No
I-470 and I-350	03/17/01	12/31	Jackson	Lee's Summit	Property Owners	1	17,080,627	40 Years	134,326,373	1.000%	Yes
Truman Road	06/25/01	12/31	Jackson	Independence	Property Owners	1	232,700	21 Years	483,363	1.000%	Yes
Country Club Plaza of Kansas City, Missouri	07/12/01	12/31	Jackson	Kansas City	Property Owners & TIF Commission of KC	3	11,149,363	20 Years	30,163,825	0.500%	Yes
Thirty-Ninth Street	04/25/02	6/30	Jackson	Independence	City of Independence	(B)	15,075,640	23 Years	23,614,406	0.125%	Yes
Douglas Station	06/27/02	12/31	Jackson	Lee's Summit	Property Owners	1	1,742,852	20 Years	3,461,671	1.000%	No
Raintree North	08/19/02	12/31	Jackson	Lee's Summit	Property Owners	1	1,700,000	14 Years	1,700,000	0.500%	No
I-70 and Adams Dairy Parkway	03/25/03	12/31	Jackson	Blue Springs	Property Owners	1	1,950,000	10 Years	1,883,723	1.000%	No
M 150 and 135th Street	05/15/03	12/31	Jackson	Kansas City	Property Owners	1	12,000,000	20 Years	18,817,000	1.000%	No
Lee's Summit Missouri New Longview	07/31/03	12/31	Jackson	Lee's Summit	Property Owners	1	5,900,000	20 Years	10,500,000	1.000%	Yes
71 Highway & 150 Highway	11/20/03	12/31	Jackson	Grandview	Property Owners	2	450,000	23 Years	763,850	1.000%	Yes
Raintree Lake Village	10/19/05	12/31	Jackson	Lee's Summit	Property Owners	1	1,530,000	24 Years	4,767,995	1.000%	No
Crackerneck Creek	07/26/06	6/30	Jackson	Independence	Property Owners & City of Independence	3	15,231,975	24 Years	21,980,746	1.000%	Yes
1200 Main/South Loop	12/11/06	12/31	Jackson	Kansas City	Property Owners & City of Kansas City	10	40,583,010	25 Years	64,637,467	1.000%	Yes
Independence Avenue & Colbern Road	05/02/07	12/31	Jackson	Lee's Summit	Property Owners	4	900,000	30 Years	3,042,600	1.000%	No
Raytown Highway 350	05/07/07	10/31	Jackson	Raytown	Property Owners & Raytown Consolidated School District #2	2	6,141,276	30 Years	3,871,350	0.125%	Yes
Adams Farm	08/25/08	9/30	Jackson	Blue Springs	Property Owners	10	36,713,147	30 Years	65,548,559	1.000%	Yes
Coronado Drive	07/23/09	9/30	Jackson	Blue Springs	Property Owners	1	9,924,000	10 years	6,086,950	0.500%	No
<b>Jasper County</b>											
1717 Market Place	11/25/05	12/31	Jasper	Joplin	Property Owners	2	1,428,680	23 Years	2,070,000	0.125%	Yes
<b>Jefferson County</b>											
Arnold Triangle	08/13/06	8/31	Jefferson	Arnold	Property Owners & City of Arnold	5	9,000,000	29 Years	14,000,000	1.000%	Yes
Arnold Retail Corridor	03/11/08	8/31	Jefferson	Arnold	City of Arnold & Arnold Triangle TDD	(B)	26,950,000	Unknown	56,000,000	1.000%	Yes

APPENDIX A

Transportation Development Districts  
 Information Regarding Establishment, Estimated Project Costs, and Anticipated Revenues of Transportation Development Districts

District Name	Date Established	Fiscal Year End	County	Municipality	Petition To Establish Was Filed By:	Number of Property Owners	Estimated Project Costs	TDD's Estimated Life	Total Anticipated Revenues	Sales Tax Rate (A)	TDD Within a TIF district?
<b>Johnson County</b>											
Hawthorne Development	11/30/05	12/31	Johnson	Warrensburg	Property Owners	7	17,524,000	20 Years	8,807,602	0.500%	No
<b>Lincoln County</b>											
Highway 61, Route U	02/04/08	12/31	Lincoln	Moscow Mills	Property Owners	1	14,100,000	Unknown	9,700,000	0.375%	Yes
<b>Marion County</b>											
Stardust-Munger-Diamond	10/16/01	12/31	Marion	Hannibal	Property Owners & City of Hannibal	1	4,704,000	19 Years	11,678,000	0.625%	Yes
US 36/I-72	06/03/05	6/30	Marion	various	(D) Transportation Corporation, 5 Counties & 6 Cities	(B)	136,000,000	15 Years	43,000,000	0.500%	Yes
<b>Miller County</b>											
Prewitt Point	08/22/03	12/31	Miller	Osage Beach	Property Owners	2	4,750,000	25 Years	16,152,000	1.000%	Yes
Osage National	06/12/08	6/30	Miller	Lake Ozark	Property Owners	1	15,000,000	20 Years	7,341,000	1.000%	Yes
Horseshoe Bend	04/13/06	12/31	Miller	Lake Ozark	Property Owners	1	23,500,000	25 Years	113,079,775	1.000%	Yes
<b>St. Louis Municipality</b>											
Merchant's Laclede	10/08/03	12/31	N/A	St. Louis	Property Owners	2	6,510,000	30 Years	10,080,000	1.000%	No
Southtown	04/12/04	12/31	N/A	St. Louis	Property Owners	1	1,231,292	23 Years	4,204,762	1.000%	Yes
Residence Inn Downtown St. Louis	02/14/05	6/30	N/A	St. Louis	Property Owners	1	500,000	20 Years	1,500,000	1.000%	No
Highlands	04/20/05	12/31	N/A	St. Louis	Property Owners	2	700,000	23 Years	733,119	1.000%	Yes
Broadway Hotel	09/06/06	12/31	N/A	St. Louis	Property Owners	1	6,500,000	25 Years	11,500,000	1.000%	No
620 Market	09/06/06	12/31	N/A	St. Louis	Property Owners	1	991,600	30 Years	2,670,000	1.000%	No
CB 5421/5975	03/05/07	12/31	N/A	St. Louis	Property Owners	6	2,900,000	40 Years	4,000,000	1.000%	Yes
Adler Lofts	03/12/07	12/31	N/A	St. Louis	Property Owners	1	1,000,000	19 Years	1,448,400	1.000%	Yes
Bottle District	05/17/07	12/31	N/A	St. Louis	Property Owners	1	6,000,000	40 Years	6,000,000	1.000%	Yes
Euclid Buckingham	06/14/07	12/31	N/A	St. Louis	City of St. Louis	1	4,500,000	Unknown	1,200,000	1.000%	Yes
<b>Platte County</b>											
Platte County Missouri South I	06/19/01	12/31	Platte	Kansas City	Property Owners	(E) 3	24,000,000	30 Years	52,000,000	1.000%	No
Platte County Missouri South II	04/12/02	12/31	Platte	Kansas City	Property Owners	(E) 1	-	-	-	1.000%	No
Parkville Commons	06/09/03	12/31	Platte	Parkville	Property Owners	1	8,000,000	22 Years	12,000,000	1.000%	Yes
Tuileries Plaza	12/09/05	12/31	Platte	Kansas City	Property Owners	1	3,600,000	35 Years	8,700,000	1.000%	No
Platte Valley Plaza	03/09/07	12/31	Platte	Platte City	Property Owners	1	1,400,000	40 Years	1,400,000	8.750%	No
Park Plaza	07/17/09	12/31	Platte	Kansas City	Property Owners	1	2,041,738	26 years	5,376,233	0.500%	No
<b>Pulaski County</b>											
Interstate Plaza/North Town Village	11/06/01	12/31	Pulaski	St. Robert	Property Owners & City of St. Robert	27	3,980,000	20 Years	6,500,000	0.500%	Yes
Bowman	02/17/05	12/31	Pulaski	Waynesville	Property Owners	1	125,000	20 Years	500,000	0.500%	No
Farris Family	02/17/05	12/31	Pulaski	St. Robert	Property Owners	4	250,000	10 Years	250,000	0.500%	No
<b>Scott County</b>											
North Main/Malone	11/19/04	12/31	Scott	Sikeston	Property Owners	1	8,600,000	23 Years	1,398,084	1.000%	Yes

APPENDIX A

Transportation Development Districts  
 Information Regarding Establishment, Estimated Project Costs, and Anticipated Revenues of Transportation Development Districts

District Name	Date Established	Fiscal Year End	County	Municipality	Petition To Establish Was Filed By:	Number of Property Owners	Estimated Project Costs	TDD's Estimated Life	Total Anticipated Revenues	Sales Tax Rate (A)	TDD Within a TIF district?
<b>St. Charles County</b>											
Mark Twain Mall	02/20/01	12/31	St. Charles	St. Charles	Property Owners	1	1,500,000	30 Years	5,000,000	1.000%	Yes
Wentzville	11/16/01	12/31	St. Charles	Wentzville	Property Owners	5	3,150,000	15 Years	5,921,700	0.250%	No
Boscherts Landing	05/16/03	12/31	St. Charles	St. Peters	Property Owners	2	553,342	40 Years	Unknown	1.000%	No
Salt Lick Road	05/16/03	12/31	St. Charles	St. Peters	Property Owners	1	1,406,281	30 Years	Unknown	1.000%	No
WingHaven	09/11/03	12/31	St. Charles	O'Fallon	Property Owners	12	3,048,098	20 Years	8,178,263	0.625%	No
Hutchings Farm Plaza	03/04/04	12/31	St. Charles	O'Fallon	Property Owners	1	600,000	8 Years	816,000	1.000%	No
Mexico Road	04/08/04	12/31	St. Charles	O'Fallon	Property Owners	1	2,600,000	40 Years	3,000,000	1.000%	No
Megan Shoppes	06/07/04	12/31	St. Charles	O'Fallon	Property Owners	2	1,145,834	40 Years	5,520,000	1.000%	No
Hawk Ridge	09/02/04	6/30	St. Charles	Lake St. Louis	Property Owners & City of Lake St. Louis	3	19,400,000	25 Years	38,700,000	0.750%	No
Mid Rivers/N	02/17/05	12/31	St. Charles	St. Peters	Property Owners	1	2,206,225	20 Years	8,400,000	0.500%	No
Wentzville Parkway I	03/03/05	12/31	St. Charles	Wentzville	Property Owners	1	3,830,625	30 Years	Unknown	0.500%	No
St. Charles Riverfront	03/04/05	12/31	St. Charles	St. Charles	Property Owners	1	10,000,000	20 Years	8,500,000	1.000%	No
Wentzville II	03/07/05	12/31	St. Charles	Wentzville	Property Owners	1	2,800,000	25 Years	7,500,000	0.500%	No
Kingsmill	05/05/05	12/31	St. Charles	O'Fallon	Property Owners	2	1,525,000	40 Years	1,525,000	1.000%	No
Dardenne Town Square	08/18/05	12/31	St. Charles	Dardenne Prairie/ Lake Saint Louis	Property Owners	10	15,000,000	40 Years	10,750,000	0.500%	No
Barathaven	01/26/06	12/31	St. Charles	Dardenne Prairie	Property Owners	3	4,215,000	20 Years	9,493,639	1.000%	No
Wentzville Three	12/04/06	12/31	St. Charles	Wentzville	Property Owners	1	2,750,000	40 Years	Unknown	0.250%	No
Meadows	01/04/07	12/31	St. Charles	Lake Saint Louis	Property Owners & City of Lake St. Louis	1	10,900,000	25 Years	27,883,277	0.750%	No
First Capitol Drive	07/22/09	12/31	St. Charles	St. Charles	Property Owners	1	45,000	Unknown	-	n/a	No
<b>St. Francois County</b>											
Park Hills	07/28/04	12/31	St. Francois	Park Hills	Property Owners	2	750,000	20 years	200,000	0.500%	Yes
<b>St. Louis County</b>											
Gravois Bluffs	12/07/99	12/31	St. Louis	Fenton	Property Owners & City of Fenton	2	25,300,000	24 Years	30,211,614	1.000%	Yes
Fenton Crossing	02/08/00	12/31	St. Louis	Fenton	Property Owners	1	4,574,762	20 Years	8,000,000	1.000%	Yes
Kenilworth	08/15/00	12/31	St. Louis	Brentwood	Property Owners	1	1,500,000	14.5 Years	3,859,150	0.250%	Yes
Meramec Station Road and Highway 141	09/07/00	12/31	St. Louis	N/A	Property Owners	2	6,720,000	40 Years	15,700,000	1.000%	Yes
370/Missouri Bottom Road/Taussig Road	11/01/00	12/31	St. Louis	Bridgeton/ Hazelwood	Property Owners	2	34,010,000	17 Years	54,596,724	1.000%	Yes
St. John's Church Road	04/17/01	12/31	St. Louis	N/A	Property Owners	9	12,000,000	40 Years	27,000,000	0.500%	No
Ballwin Town Center	04/26/01	12/31	St. Louis	Ballwin	Property Owners	1	1,300,000	21 Years	5,751,400	0.250%	Yes
Brentwood Pointe	05/16/01	12/31	St. Louis	Brentwood	Property Owners	2	5,101,697	20 Years	13,503,100	1.000%	Yes
Big Bend Crossing	06/25/01	12/31	St. Louis	Crestwood	Property Owners & City of Crestwood	1	1,487,415	20 Years	2,500,000	0.250%	No
Shoppes at Old Webster	11/29/01	12/31	St. Louis	Webster Groves	Property Owners	3	520,000	20 Years	865,000	0.625%	No
St. John Crossings	06/25/02	12/31	St. Louis	St. John	Property Owners & City of St. John	1	901,630	22 Years	2,354,600	0.250%	Yes
Shoppes at Cross Keys	09/18/02	12/31	St. Louis	Florissant	Property Owners	1	4,900,000	23 Years	12,000,000	1.000%	Yes
Station Plaza	12/04/02	12/31	St. Louis	Kirkwood	Property Owners & City of Kirkwood	1	1,550,000	25 Years	3,461,395	1.000%	No
Hanley/Eager Road	12/16/02	12/31	St. Louis	Brentwood	Property Owners	6	12,000,000	30 Years	22,924,051	1.000%	Yes
Crestwood Point	05/15/03	12/31	St. Louis	Crestwood	Property Owners & City of Crestwood	2	2,986,000	40 Years	4,827,000	1.000%	Yes
Pershall Road	07/30/03	12/31	St. Louis	Ferguson	Property Owners & City of Ferguson	1	620,000	25 Years	993,000	1.000%	No
Francis Place	04/13/04	12/31	St. Louis	Richmond Heights	Property Owners	1	4,400,000	23 Years	10,000,000	1.000%	Yes
Brentwood/Strassner Road	05/06/04	12/31	St. Louis	Brentwood	City of Brentwood & St. Louis County	(B)	8,365,000	11 Years	8,550,000	0.500%	Yes
Eureka Commercial Park	05/10/04	6/30	St. Louis	Eureka	Property Owners	4	1,430,000	40 Years	Unknown	0.875%	No
Hanley Road and North of Folk Avenue	05/19/04	12/31	St. Louis	Maplewood	Property Owners	1	16,300,000	25 Years	30,900,000	1.000%	No
Folk Avenue South	07/14/04	6/30	St. Louis	Maplewood	Property Owners	2	6,958,609	26 Years	19,500,000	1.000%	Yes
Olive Boulevard	09/09/04	6/30	St. Louis	Creve Coeur	Property Owners & City of Creve Coeur	2	6,590,000	20 Years	8,811,735	0.500%	Yes
Chesterfield Commons	10/12/04	12/31	St. Louis	Chesterfield	Property Owners	1	12,000,000	30 Years	Unknown	1.000%	Yes

APPENDIX A

Transportation Development Districts  
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District Name	Date Established	Fiscal Year End	County	Municipality	Petition To Establish Was Filed By:	Number of Property Owners	Estimated Project Costs	TDD's Estimated Life	Total Anticipated Revenues	Sales Tax Rate (A)	TDD Within a TIF district?
Eureka Old Town	10/12/04	6/30	St. Louis	Eureka	Property Owners & City of Eureka	4	1,367,500	30 Years	1,260,000	0.750%	No
Glenwood-Watson	07/26/05	12/31	St. Louis	Crestwood	Property Owners	2	2,350,000	23 Years	1,952,005	1.000%	Yes
Hanley Station	09/29/05	12/31	St. Louis	Brentwood	Property Owners	1	2,000,000	19 Years	6,670,000	1.000%	Yes
Chesterfield Valley	11/28/05	12/31	St. Louis	Chesterfield	City of Chesterfield	(B)	37,300,000	25 Years	25,175,000	0.375%	Yes
Elm Grove	12/20/05	12/31	St. Louis	Hazelwood	Property Owners	2	750,000	40 Years	2,000,000	1.000%	No
Koch Plaza	01/19/06	12/31	St. Louis	Florissant	Property Owners	1	650,000	Unknown	Unknown	0.500%	No
University Place	09/06/06	12/31	St. Louis	N/A	The Curators of the University of Missouri	1	15,415,000	25 Years	26,300,000	1.000%	No
Town and Country Crossing	10/20/06	12/31	St. Louis	Town and Country/ Ballwin	Property Owners	1	10,500,000	17 Years	13,000,000	0.500%	No
Shoppes at Hilltop	02/06/07	12/31	St. Louis	Eureka	Property Owners	1	2,500,000	20 Years	4,900,000	1.000%	No
St. Cyr Road	02/20/07	12/31	St. Louis	Moline Acres	Property Owners & City of Moline Acres	1	1,250,000	22 Years	1,452,155	0.625%	Yes
Highway 367 & Parker Road	03/02/07	12/31	St. Louis	N/A	Property Owners	1	1,000,000	21 Years	3,800,000	0.500%	Yes
South Manchester	03/30/07	12/31	St. Louis	Manchester	Property Owners	5	2,500,000	25 Years	4,902,571	0.750%	No
The Market at McKnight I	05/11/07	12/31	St. Louis	Rock Hill	Property Owners	4	2,200,000	20 Years	3,305,933	1.000%	Yes
Manchester Highlands	01/22/08	12/31	St. Louis	Manchester	Property Owners	1	12,800,000	40 Years	18,750,000	1.000%	Yes
Lucas & Hunt/Chandler	06/25/08	12/31	St. Louis	Country Club Hills	Property Owners	1	500,000	Unknown	800,000	1.000%	Yes
Loop Trolley	07/16/08	12/31	St. Louis	University City	Property Owners	93	32,000,000	40 Years	16,000,000	1.000%	Yes
Des Peres Corners	07/21/08	12/31	St. Louis	Des Peres	Property Owners	1	7,600,000	25 Years	22,029,257	1.000%	No
Centene Plaza	12/17/08	12/31	St. Louis	Clayton	Property Owners	2	22,000,000	40 Years	49,000,000	1.000%	No
Ballpark Village	02/19/09	6/30	St. Louis	St. Louis	Property Owners	1	40,000,000	40 years	19,950,000	1.000%	No
Hanley Road Corridor	03/24/09	12/31	St. Louis	Maplewood/ Brentwood	Brentwood Pointe TDD, and Folk Avenue South TDD	69	54,299,574	31 years	150,629,569	1.000%	Yes
Laurel	07/27/09	12/31	St. Louis	St. Louis	Property Owners	2	1,400,000	40 years	2,300,000	1.000%	Yes
Clarkson Kehrs Mill	08/11/09	12/31	St. Louis	Ballwin	Property Owners	2	2,000,000	40 years	6,534,460	1.000%	No
Washington Ave	08/31/09	12/31	St. Louis	St. Louis	Property Owners	3	1,640,973	20 years	2,084,955	1.000%	Yes
1225 Washington	10/27/09	12/31	St. Louis	St. Louis	Property Owners	5	1,900,000	40 years	3,460,000	1.000%	Yes
Olive/Graeser	12/08/09	12/31	St. Louis	Creve Coeur	Property Owners	10	1,300,126	40 years	3,400,000	1.000%	No
<b>Stone County</b>											
Indian Ridge Resort	12/07/06	12/31	Stone	Branson West/Indian Point	Property Owners	4	28,152,034	30 Years	34,797,760	1.000%	No
<b>Taney County</b>											
Branson Regional Airport	12/17/03	12/31	Taney	Branson	Property Owners	1	150,000,000	30 Years	Unknown	N/A	No
Branson Landing	03/17/05	9/30	Taney	Branson	City of Branson	1	53,759,228	23 Years	47,106,055	1.000%	Yes
Forsythe Road	06/05/08	9/30	Taney	Branson	Property Owners	1	5,250,000	25 Years	7,000,000	1.000%	No
<b>Webster County</b>											
Spindler	02/07/07	unknown	Webster	Seymour	Property Owners	(F) 1	Unknown	Unknown	Unknown	Unknown	Unknown
							\$ 1,661,829,498		\$ 2,093,798,704		

APPENDIX A

Transportation Development Districts

Information Regarding Establishment, Estimated Project Costs, and Anticipated Revenues of Transportation Development Districts

District Name	Date Established	Fiscal Year End	County	Municipality	Petition To Establish Was Filed By:	Number of Property Owners	Estimated Project Costs	TDD's Estimated Life	Total Anticipated Revenues	Sales Tax Rate (A)	TDD Within a TIF district?
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Footnote legend

(A) In addition to sales tax, several districts authorized the following additional revenue sources: property taxes; special assessments; private hanger rental, fueling, airline agreement, rental car agreement, and other collateral service fees; and parking fees.

(B) The district has registered voters who approved establishment of the district.

(C) The TDD did not respond to our questionnaire soliciting applicable information.

(D) Counties are Macon, Marion, Monroe, Ralls, and Shelby. Cities are the City of Clarence, City of Hannibal, City of Hunnewell, City of Macon, City of Monroe City, and City of Shelbina.

(E) Project costs/life of district/anticipated revenues included in information presented for Platte County Missouri South I.

(F) After this TDD was created, the developer found the proposed projects not to be feasible.

TIF - Tax Increment Financing - 50 percent of the sales tax collected is used for TIF projects unless an agreement specifies otherwise.

Source: Judgment and Order issued by the Circuit Courts, TDD survey questionnaires, and communication with district officials/representatives.

Appendix B

Transportation Development Districts  
 Schedule of Receipts, Disbursements, and Cash Balances - Selected Transportation Development Districts

	Meadows	Stone Ridge	Cross Creek	CB 5421/5975	Platte Valley Plaza
Beginning balance, Fiscal Year 2007	\$ 0	0	0	0	0
Receipts:					
Sales taxes	0	32,981	0	0	0
Revenue bond/note proceeds	0	2,498,527	0	0	0
Total Receipts	0	2,531,508	0	0	0
Disbursements:					
Professional fees	0	29,707	0	0	0
Debt service	0	89,855	0	0	0
Accounting and auditing	0	330	0	0	0
Transportation project costs	0	2,395,956	0	0	0
Other	0	107	0	0	0
Total Disbursements	0	2,515,955	0	0	0
Ending Balance, Fiscal Year 2007	0	15,553	0	0	0
Receipts:					
Sales taxes	27,132	107,925	0	101,141	0
Revenue bond/note proceeds	0	1,272,798	0	0	1,288,000
Other	0	54	0	0	0
Total Receipts	27,132	1,380,777	0	101,141	1,288,000
Disbursements:					
Bond/loan issuance costs	0	0	0	0	89,563
Professional fees	0	9,648	0	0	2,500
Debt service	0	149,727	0	38,867	0
Insurance	0	6,692	0	0	0
Accounting and auditing	0	1,079	0	0	0
Administrative	203	0	0	725	0
Transportation project costs	0	1,207,520	0	0	83,927
Tax increment financing	0	0	0	35,640	0
Other	73	2,603	0	0	0
Total Disbursements	276	1,377,269	0	75,232	175,990
Ending Balance, Fiscal Year 2008	26,856	19,061	0	25,909	1,112,010
Receipts:					
Sales taxes	152,137	113,527	0	171,749	1,069
Interest	0	0	0	87	8
Revenue bond/note proceeds	0	3,489,436	0	0	0
Total Receipts	152,137	3,602,963	0	171,836	1,076
Disbursements:					
Professional fees	6,447	7,329	0	0	45,386
Debt service	124,858	3,574,996	0	77,447	35,422
Insurance	1,363	0	0	0	0
Accounting and auditing	5,900	3,180	0	0	0
Administrative	8,700	0	0	0	0
Transportation project costs	0	10,060	0	0	883,207
Collection fees	1,416	0	0	0	0
Tax increment financing	0	0	0	80,675	0
Other	257	563	0	2,354	411
Total Disbursements	148,941	3,596,128	0	160,476	964,426
Ending Balance, Fiscal Year 2009	\$ 30,052	25,896	0	37,269	148,660

Appendix B

Transportation Development Districts  
 Schedule of Receipts, Disbursements, and Cash Balances - Selected Transportation Development Districts

TDD Name	Raytown Highway 350	The Market at McKnight I	Euclid Buckingham
Beginning balance, Fiscal Year 2007	\$ 0	0	0
Receipts:			
Sales taxes	0	5,412	0
Total Receipts	0	5,412	0
Disbursements:			
Total Disbursements	0	0	0
Ending Balance, Fiscal Year 2007	0	5,412	0
Receipts:			
Sales taxes	0	70,395	0
Total Receipts	0	70,395	0
Disbursements:			
Administrative	0	7,500	0
Collection fees	0	702	0
Other	0	191	0
Total Disbursements	0	8,393	0
Ending Balance, Fiscal Year 2008	0	67,414	0
Receipts:			
Sales taxes	0	80,804	0
Total Receipts	0	80,804	0
Disbursements:			
Administrative	0	7,250	0
Collection fees	0	799	0
Total Disbursements	0	8,049	0
Ending Balance, Fiscal Year 2009	\$ 0	140,169	0

## Appendix C

### Transportation Development Districts Information on Abolished Transportation Development Districts

<u>District Name</u>	<u>County</u>	<u>Municipality</u>	<u>Date Formed</u>	<u>Date Abolished</u>
<b>Jefferson County</b>				
Hyannis Port Road	Jefferson	n/a	July 2004	December 2006
<b>Lincoln County</b>				
Troy/Lincoln County	Lincoln	Troy	October 2004	October 2008
<b>St. Louis County</b>				
Eureka South I-44	St. Louis	Eureka	October 2006	June 2008