



Duckett Creek Sanitary District

Fostering Development While Protecting the Environment

DUCKETT CREEK SEWER DISTRICT OF ST. CHARLES COUNTY, MISSOURI

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEARS ENDED
DECEMBER 31, 2025 AND 2024**



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Fostering Development While Protecting the Environment

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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PREPARED BY THE FINANCE DEPARTMENT

DUCKETT CREEK SANITARY DISTRICT
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i-v
Certificate of Achievement	vi
List of District Officials	vii
Organizational Chart	viii
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-8
Basic Financial Statements	
Statements of Net Position	4-5
Statements of Revenues, Expenses, and Change in Net Position	6
Statements of Cash Flows	7-8
Notes to Financial Statements	9-41
Required Supplementary Information	
Schedule of Change in Net Pension Liability (Asset) and Related Ratios.....	42
Schedule of Pension Contributions	43
Schedule of Change in Total OPEB Liability and Related Ratios	44

DUCKETT CREEK SANITARY DISTRICT
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION	
Financial Trends	
Operating Expenses by Type	45
Revenues and Expenses by Function	46
Net Position by Component	47
Change in Net Position	48
Nonoperating Revenues (Expenses)	49
Revenue Capacity	
Sewer Rates	50
Number of Customers	51
System Usage, Billings, and Collections	52
Ten Largest Customers by Gallons Billed	53
Debt Capacity	
Ratios of Outstanding Debt	54
Debt Service Coverage	55
Demographic and Economic Information	
Ten Largest Employers	56
Demographic and Economic Statistics	57
Operating Information	
Operating and Capital Indicators	58
Number of Employees by Identifiable Activity	59

INTRODUCTORY SECTION



Duckett Creek Sanitary District

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May 15, 2026

The Board of Trustees and Executive Director
Duckett Creek Sanitary District

The Annual Comprehensive Financial Report (ACFR) of Duckett Creek Sanitary District (the District) for fiscal year ended December 31, 2025 is submitted herewith. District management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that was established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. We believe the presentation is accurate in all material respects and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the District's financial activities.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

FINANCIAL INFORMATION

Profile of the Government -- The District was established by a resolution adopted by the St. Charles County Court (now referred to as the County Council) in 1972. In 1977 a revenue bond was issued and used to purchase several small systems which started the sewer operations for the District. On January 1, 1993, St. Charles County became a first-class county with a charter form of government. Pursuant to the Revised Statutes of Missouri, Section 249 for sewer districts within a first-class county, the County Commission appointed the original five Trustees. The Board of Trustees are responsible for the control and operation of the District. The St. Charles County Executive now appoints the Trustees, with concurrence of the County Council, to staggered five-year terms. A minimum of three Trustees must reside within the District boundaries.

The Executive Director is appointed by the Board of Trustees and is responsible for implementing the Trustees' directives and policies for the administrative guidance, operational functions, and strategic planning of the District. The Executive Director provides full-time management of the District's operations. The District employs 48 full-time employees including the Executive Director.

The District occupies approximately 72 square miles, one quarter of the habitable area of St. Charles County, and encompasses a portion of the cities of St. Charles, St. Peters, O'Fallon, Weldon Spring, Dardenne Prairie, St. Paul, Lake St. Louis, Wentzville and Cottleville. St. Charles County is located on the western fringe of the St. Louis metropolitan area, approximately 18 miles northwest of the City of St. Louis, Missouri. Per the U.S. Census Bureau, the 2025 estimated population in St. Charles County was 435,262 and the District serves approximately one-third of those residents. The average annual customer growth in the District for the last five years has been 1.3%.

The largest commercial customers (by number of gallons billed) of the District are retirement communities, school districts, a hospital, a college, and residential apartments.

The District operates approximately 728 miles of sanitary sewers (collection system) and 50 lift stations. The District's collection system is dedicated to the District by developers at the time of construction. Primary wastewater treatment is provided by three activated sludge treatment facilities known as conventional treatment plants. One conventional plant operates with a 5 million gallon per day (MGD) capacity, another operates with a 7 MGD capacity, and the third operates with a 7.5 MGD capacity. In addition, the District operates one smaller conventional package plant and two membrane bioreactor (MBR) plants. Our new treatment plant which commenced construction in the spring of 2023 came online in the summer of 2025. The addition of this treatment plant opens up expansion for development in the western area of St. Charles County.

The District also provides engineering-related review and inspection services for the construction of sanitary sewers by individuals, businesses, and municipalities within its boundaries. The State of Missouri has designated the District as a permitting authority. This designation allows the District to issue construction permits to builders for collection lines that will become tributaries to the District's treatment plants.

ECONOMIC CONDITION AND OUTLOOK

St. Charles County, where the District is located, is the third largest county (by population) in the State of Missouri behind Saint Louis County and Jackson County, where Kansas City is located. The City of O'Fallon, Missouri, where the District's administrative offices are established, is the seventh largest city in the state. O'Fallon is a community of varied attributes that makes us an attractive place to live and work.

Over 60% of the homes in St. Charles County, Missouri were built since 1980 making us a young community. The median age is 39.8 and 42% of the population hold bachelor's degrees or higher. The median household income in 2024 was \$104,692, among the highest in the St. Louis region. A March 2024 study by the Robert Wood Johnson Foundation ranks St. Charles County among Missouri's healthiest counties for a fifteenth year considering it among the healthiest in the country for health outcomes and health factors. The latest unemployment data from December 2025 shows St. Charles County's unemployment rate was 2.7% compared to 3.9% statewide.

The most significant employment growth area of the District is along U.S. Highway 40/61. Marketed as a "high-tech" corridor, steady development has attracted numerous technology jobs for the residents of St. Charles County. The most significant employers located in the corridor are Mastercard Worldwide (3,450 employees), Citigroup (1,858 employees), Progress West Healthcare Center (1,123 employees) and Nike Air (800 employees). Another significant development along U.S. Highway 40/61 corridor and served by the District is the University of Missouri Research Park, a corporate park development that is home to the Missouri Bluffs Golf Club. The O'Fallon Corporate Centre, also located within the corridor, was the first "FibrePark" in eastern Missouri.

The largest residential development located in the District is Winghaven, (home to the City) "the City within a City". Winghaven is a \$550 million dollar planned development totaling 1,100 acres within the high-tech corridor. The Winghaven development provides 1,700 housing units and 850 apartments, including 450 senior citizens units. There is an 18-hole Jack Nicklaus designed golf course and residential village located in the development. Several commercial sites are located in the development, the largest being MasterCard International.

Within the District's newly established service area, development activity began prior to the newest Treatment Plant 4 coming online and has continued following its commissioning in the summer of 2025. Three residential developments are currently under construction. The Harvest at Hopewell development includes 740 housing units and a dedicated amenity area, while the Autumn Hollow development will add an additional 370 housing units. The third development, The Villages at Post Farms, will add an additional 307 residential units to the District. These projects represent a strong and promising beginning to the District's western expansion within the Treatment Plant 4 service area.

In summary, the economic outlook for the District continues to be conservative yet optimistic. The District is well positioned to accommodate future growth while protecting system assets in a timely manner.

MAJOR INITIATIVES

Recognizing the need to provide necessary capital improvements and large-scale maintenance to the system, the District Board of Trustees first approved a multi-year capital improvement and large maintenance project plan during the 2014 budget cycle. This capital and maintenance planning tool spans a ten-year projection period and is now updated annually as part of the District’s budget process. The first major projects outlined in this plan began in 2015 and included adding capacity for solids handling at Treatment Plant 2 and necessary upgrades at both large conventional plants. These upgrades, which were completed in 2018, totaled \$12.2 million for construction and engineering. Major improvements and purchases for 2019 included a \$1.1 million-dollar cured in place pipe (CIPP) collection line replacement in the Heritage subdivision area, a 3600-gallon vacuum truck and a Kohler mobile generator for lift stations. The 2020 and 2021 major capital improvements included building and garage upgrades at Treatment plants 1 and 2 as well as property acquisition, engineering and a CIPP sewer line replacement in the Pinewoods subdivision. Major purchases and improvements in 2022 included a new Hydro Flush Vacuum Truck, a New Holland Tractor, Treatment Plant No. 4 Design, and Construction of an Access Road at Treatment Plant 4 and Sommerlin Lift Station Improvements. Capital purchases and improvements during 2023 included the acquisition of a new freightliner and a John Deere Frontloader, replacement of oxidation ditch equipment at Treatment Plant No. 2, construction of Treatment Plant No. 4 along with associated engineering services, and upgrades to several lift stations. During fiscal year 2024, the District purchased a 2023 John Deere Tractor, 2025 Peterbilt Freightliner, and a 2024 Kuhn SLC Sludge Spreader to support land application operations. In addition, two 2022 Ford F250 trucks were purchased as part of the annual fleet replacement and a crane truck was purchased to support lift station and plant maintenance tasks. The chiller upgrade project at the District’s Administration Building was completed in 2024. Several major projects also remained under construction during 2024 including Treatment Plant No. 4, the East Influent Sewer to Treatment Plant No. 4, the Wyndgate Force Main, and the Treatment Plant No. 1 Biosolids Conveyor system, as well as engineering services related to the Highway K Lift Station improvements.

Capital Purchases and Improvements for 2025 Include:

Description	Amount
2024 John Deere 344P Front End Loader	\$ 180,317
2025 Dodge Ram 3500	45,621
2025 Ford F-250	53,970
2025 Dodge Ram 3500	45,559
2025 Chevrolet Silverado	47,612
TP1 Floating Aerators Equipment/Oxidation Ditch Rewire	228,236
New Treatment Plant No. 4	45,008,330
Treatment Plant No. 4 East Influent Sewer	1,769,675
Wyndgate Force Main to Treatment Plant No. 4	1,076,789
Construction in Progress	
TP1 Improvements - Biosolids Conveyor	\$ 225,347
Fuel Tank installation at Treatment Plant No. 2 and 4	40,000
Stone Ridge 8 CIPP	521,414
Dardenne Lift Station Improvements/Upgrades	63,074
Highway K Lift Station Improvements/Upgrades	214,269
O'Fallon Hills Lift Stations Improvements/Upgrades	393,993
Pump Additions/Upgrades at Treatment Plant No. 1 and 4	120,132

LONG-TERM FINANCIAL PLANNING

The District routinely presents a five-year financial projection as part of its annual budget document. In addition, the District updates its annual ten-year departmental capital and large maintenance budget plan, categorized by account number and project, which is reviewed periodically throughout the budget year. This capital and maintenance project budget is incorporated into a longer term 20-year projection of expenses and revenues. After a 2021 rate study conducted by Stantec Consulting reestablished Duckett Creek was the only areawide sewer service not to have an equal rate for both commercial and residential services, the commercial rate was reviewed for a three-year phased-in progression toward full parity to equalize this comparison. These three increases to the commercial rate occurred in March 2022, 2023 and 2024 and increased the commercial rate from \$3.05 per thousand gallons to \$5.35 per thousand gallons to reach full parity. Stantec Consulting also provided an update to the District's rate study in 2022, confirming the need for a residential rate increase after a period of nine years with no change in the residential rate. The District delayed the rate increase as long as possible and the ensuing flat rate of \$26.75 per month which began in 2023 is projected to remain stable for the nine-year period following that increase if all financial projection components remain unchanged. The financial rate setting tool will now be utilized annually in conjunction with each fiscal year's budget preparation to better assess the District's long-term financial wellbeing.

RELEVANT FINANCIAL POLICIES

During the course of this fiscal year the primary Financial Policy that governed the operations was the Policy #2. Policy #2 dictates that reserve amounts total cash and investments should not fall below \$3 million without formal Board approval. The Board uses a five-year projected budget approach to assure these reserves are adequately maintained in the current year and forward.

In September, 2023, Moody's reaffirmed the District's Aa3 bond rating.

INDEPENDENT AUDIT

An annual financial report of the District is required by the State of Missouri. During 2026, Sikich CPAs performed an audit of the financial statements. Their opinion for the year ended December 31, 2025 is included in this report.

AWARDS

GFOA Certificate of Achievement -- The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for the fiscal year ended December 31, 2024. This was the twenty-seventh consecutive year the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility.

ACKNOWLEDGEMENTS

The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the dedicated staff of the Administration Department, namely Sarah Beckmann, Accounting Supervisor, Krystal Jones, Accounting Assistant, Sarah Marien, HR Generalist/Payroll Specialist, and Justine Glancy, Customer Service Manager. They are committed to excellence in preparing for our annual audits each year. Our accounting team all strive for accuracy in their roles which supports a successful accounting function for the District. Appreciation is also

extended to the Executive Director and Board of Trustees for their part in planning and overseeing the financial operations of the District in a progressive yet responsible manner.

Respectfully,



Bridget Knudsen
Director of Finance and Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Duckett Creek Sanitary District
Missouri**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

DUCKETT CREEK SANITARY DISTRICT

LIST OF DISTRICT OFFICIALS

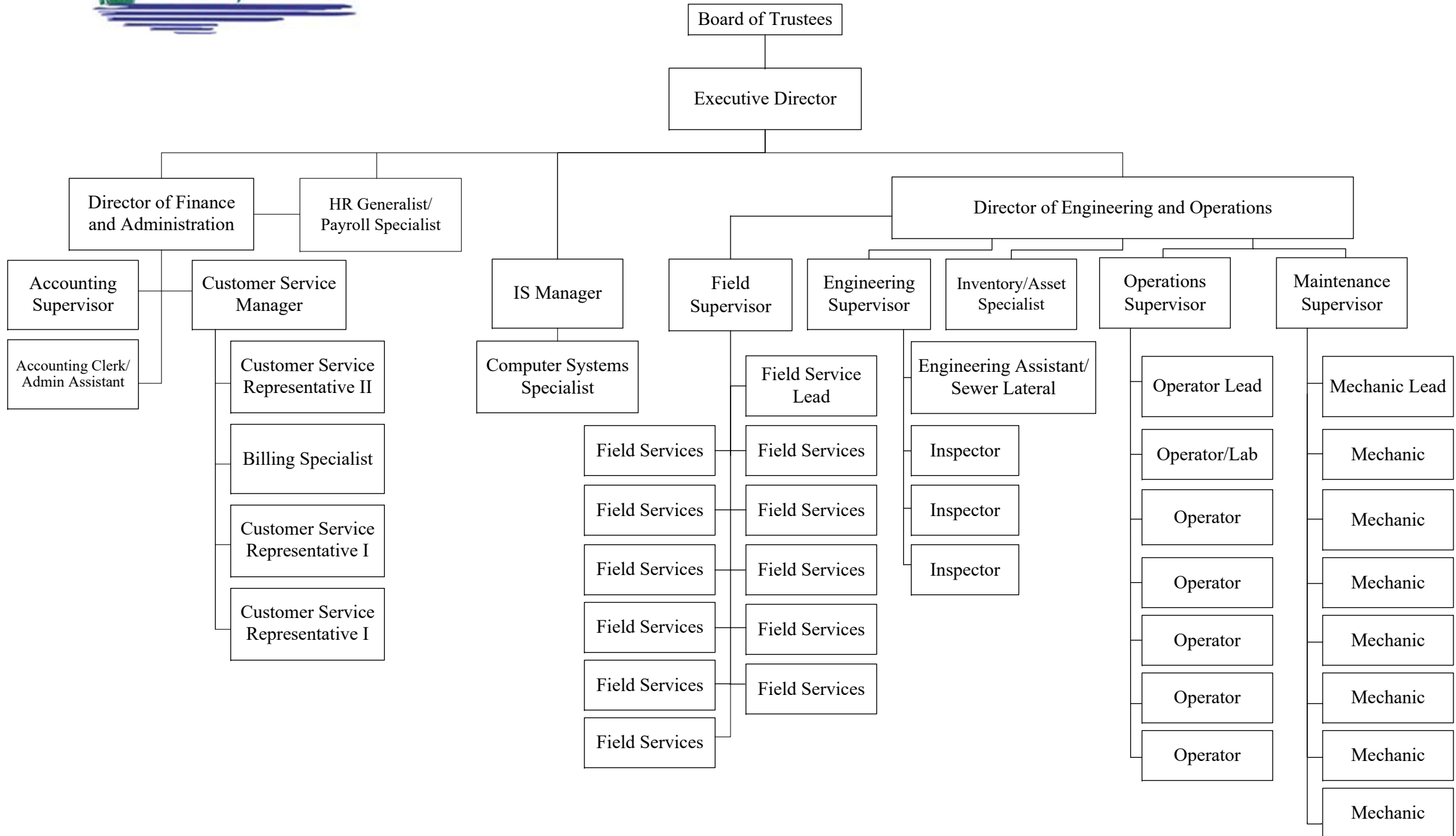
December 31, 2025

Board Members	Position
Linda Wibbenmeyer	Chairperson
John Harshbarger	Vice Chairperson
Greg Dohrman	Board Member
William Rebore	Board Member
Robert W. Schnur	Board Member

Directors	
Keith Arbuckle	Executive Director
Bridget Knudsen	Director of Finance and Administration
Luke Kehoe	Director of Engineering and Operations



Duckett Creek Sanitary District Organizational Chart



FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Duckett Creek Sanitary District

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Duckett Creek Sanitary District (the District), as of and for the years ended December 31, 2025 and 2024 and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of December 31, 2025 and 2024 and the respective changes in financial position and, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other 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 accounting principles generally accepted in the United States of America 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 District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 GAAS 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 GAAS, 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 District'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 District'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Sibich CPA LLC

St. Louis, Missouri
May 15, 2026

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

DUCKETT CREEK SANITARY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025

This section of Duckett Creek Sanitary District's (the District) annual financial report presents our management's discussion and analysis (MD&A) of the financial performance during the fiscal years ended December 31, 2025 and 2024. Please read it in conjunction with the transmittal letter at the front of this report and the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The primary revenue source of the District is charges for services. Total operating revenue for 2025 was \$20,755,214 compared to \$21,317,962 for 2024.
- Operating expenses for 2025 were \$14,772,977 compared to \$13,145,229 in 2024 for the maintenance and operation activities of the systems.
- The District reduced outstanding debt by \$4,650,026 through scheduled debt payments during 2025. This included the final payment of the 2015 Bond Series. Leaving two remaining issues outstanding by fiscal year end 2025. The final payment of the 2016 Lease Financing will be made in July 2026.
- Net position at December 31, 2025 totaled \$164,498,493, which was an increase of \$10,694,625 over December 31, 2024.

THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

This annual comprehensive report consists of three parts:

- Introductory section, which includes the transmittal letter and general information,
- Financial section, which includes the MD&A (this part) and the basic financial statements including the notes to the financial statements,
- Statistical information.

The District maintains a single business-type activity fund. The operations derive revenues from charges for services that are intended to recoup the full cost of operations. These statements report information about the District prepared on a full accrual basis to present information in a more corporate-like presentation.

DUCKETT CREEK SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

A summary of the statements of net position as of December 31, 2025, 2024 and 2023 follows:

	2025	2024	2023	2025 Change	
				Amount	Percent
ASSETS					
Current assets	\$ 32,218,582	\$ 28,604,997	\$ 26,177,538	\$ 3,613,585	13%
Restricted assets	1,897,215	13,311,178	34,827,407	(11,413,963)	-86%
Noncurrent receivables	1,815,956	560,583	564,632	1,255,373	224%
Capital assets	177,463,442	168,482,912	143,606,884	8,980,530	5%
Total assets	213,395,195	210,959,670	205,176,461	2,435,525	1%
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	-	-	44,053	-	-
Deferred related to pensions	1,469,564	1,102,570	818,076	366,994	33%
Total deferred outflows of resources	1,469,564	1,102,570	862,129	366,994	33%
LIABILITIES					
Current liabilities	4,241,789	10,389,899	9,511,638	(6,148,110)	-59%
Noncurrent liabilities	45,354,476	47,026,558	51,388,559	(1,672,082)	-4%
Total liabilities	49,596,265	57,416,457	60,900,197	(7,820,192)	-14%
DEFERRED INFLOWS OF RESOURCES					
Deferred related to pensions	270,181	324,860	379,539	(54,679)	-17%
Deferred related to leases	499,820	517,055	534,290	(17,235)	-3%
Total deferred inflows of resources	770,001	841,915	913,829	(71,914)	-9%
NET POSITION					
Net investment in capital assets	134,652,320	127,348,585	120,634,151	7,303,735	6%
Restricted for debt service	3,381,226	4,170,108	3,541,273	(788,882)	-19%
Unrestricted	26,464,947	22,285,175	20,049,140	4,179,772	19%
TOTAL NET POSITION	\$ 164,498,493	\$ 153,803,868	\$ 144,224,564	\$ 10,694,625	7%

DUCKETT CREEK SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

2025 Analysis: Current assets increased by \$3,613,585 mainly due to an increase in investments. The District invests idle funds to optimize interest earnings. This increase to investments led to an increase in interest receivable by year-end, also part of the Current assets total. Total accounts receivable increased by 1.3% as a result of customer growth. An increase in unbilled revenue of \$73,931 over fiscal year 2024 also contributed to the overall increase in current assets and is related to customer growth as well. There was an increase of \$23,739 in other receivables due to an escrow payment the District was required to remit to a local water district for a water main installed as part of the Treatment Plant 4 construction. This escrow payment will be refunded back to the District. Restricted assets saw an 86% decline in 2025 due to the completion of the new treatment plant 4 construction which depleted the construction escrow account restricted for this project.

Noncurrent Receivables increased drastically in 2025 by 224% as the District recognized a receivable related to the upsizing of infrastructure for future development in the Treatment Plant 4 service area. The District developed cost centers to facilitate growth and ensure efficient expansion by reimbursing developers to upsize infrastructure. Those reimbursed costs are then recouped by the District from future developers within the cost center.

Capital assets increased by 5% by fiscal year end 2025 compared to 2024 due to the completion of the new treatment plant along with the replacement of fleet vehicles, and other ongoing capital improvement projects.

The significant decrease in current liabilities primarily reflects the completion of construction activities for the new treatment plant. Accounts payable related to capital expenses decreased by 42% compared to 2024. Retainage payable declined substantially, a 98% decrease, by the end of 2025 because a large amount of retainage due to the contractor of Treatment Plant 4 was paid during the fiscal year. In addition, the District made the final payment on the 2015 Bonds, resulting in no further maturities due on that debt in the subsequent fiscal year. Noncurrent liabilities decreased due to scheduled debt service payments.

Changes to the deferred outflows of resources and deferred inflows of resources related to pensions are due primarily to changes related to the pension actuarial calculation. The deferred outflows related to the pension increased by 33% while the deferred inflow of resources related to pensions decreased by 17%.

Total net position increased by 7% ending fiscal year 2025 at \$164,498,493 as a result of the activities mentioned above. Restricted assets for debt service saw a net decrease of \$788,882 from 2024 due to the final payment of the 2015 Bond Series freeing up funds that had been restricted for debt service reserve per bond covenants. Total Unrestricted net position increased by 19%.

2024 Analysis: Current assets increased \$2,427,459 in 2024 compared to 2023 by 9%. This increase is partially the result of the fully implemented commercial rate increase to reach parity in 2024. Other factors that contributed to the increase in current assets were the increase in investments in 2024, as well as the increase in interest receivable. The District was able to take advantage of the higher interest rates on investments and increase our investment portfolio. Restricted assets decreased \$21,516,229 as the District continues construction of the new treatment facility. Lease receivables declined \$4,049 from payments received from cell tower leases.

DUCKETT CREEK SANITARY DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

Deferred outflows of resources increased \$240,441 in 2024 compared to 2023 due primarily to changes in deferred amounts related to the pension actuarial calculation and refunding. Capital assets increased mainly due to construction on the new treatment facility. Current liabilities increased in 2024 compared to 2023 primarily due to increases in construction activities and retainage payable. Noncurrent liabilities decreased \$4,362,001 in 2024 compared to 2023 due to scheduled debt payments. Deferred inflows of resources decreased \$71,914 in 2024 compared to 2023 due to a revised actuarial report for the District’s defined pension benefit plan.

A summary of the statements of revenues, expenses, and change in net position for the years ended December 31, 2025, 2024 and 2023 follows:

	2025	2024	2023	2025 Change	
				Amount	Percent
OPERATING REVENUES					
Sewer charges	\$ 18,801,739	\$ 18,570,059	\$ 16,989,128	\$ 231,680	1%
Sewer lateral fees	707,450	702,688	693,172	4,762	1%
Connection fees	1,093,660	1,907,130	1,406,462	(813,470)	-43%
Other	152,365	138,085	115,546	14,280	10%
Total operating revenues	20,755,214	21,317,962	19,204,308	(562,748)	-3%
OPERATING EXPENSES	14,772,977	13,145,229	12,614,923	1,627,748	12%
OPERATING INCOME (LOSS)	5,982,237	8,172,733	6,589,385	(2,190,496)	-27%
NONOPERATING REVENUE (EXPENSES)	(329,917)	310,423	576,594	(640,340)	206%
INCOME BEFORE CAPITAL CONTRIBUTIONS	5,652,320	8,483,156	7,165,979	(2,830,836)	-33%
CAPITAL CONTRIBUTIONS	5,042,305	1,096,148	1,368,717	3,946,157	360%
CHANGE IN NET POSITION	10,694,625	9,579,304	8,534,696	1,115,321	12%
NET POSITION, JANUARY 1, as previously reported	153,803,868	144,224,564	135,822,472	9,579,304	7%
Adoption of GASB 101	-	-	(132,604)	-	-
NET POSITION, JANUARY 1, AS RESTATED	153,803,868	144,224,564	135,689,868	9,579,304	7%
NET POSITION, DECEMBER 31	\$ 164,498,493	\$ 153,803,868	\$ 144,224,564	\$ 10,694,625	7%

DUCKETT CREEK SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The District's primary revenue source is program revenue from service activities and connection fees. The District identified a need to increase commercial rates beginning in 2022 with an initial increase of \$0.35 per thousand gallons which improved parity of the commercial rate compared to the residential rate. The commercial parity phase continued in 2023 with an increase of \$1.00 per thousand gallons. The final commercial rate increase to achieve parity with our residential rate was in 2024 of \$0.95 per thousand gallons. Parity of rates is the norm in our industry and our county. Residential rates were increased as well by \$5.00 per month in 2023 after a nine-year rate hold.

Sewer charges revenue increased by 1% in 2025 compared to 2024, following a 9% increase in 2024 over 2023. Commercial sewer charges rose by 3% in 2025, primarily due to the first full fiscal year reflecting the final phase of the three-year commercial rate adjustment, which was implemented each March from 2022 through 2024. Residential sewer charge revenue increased moderately by 0.66% in 2025 compared to 2024. Annual customer growth also contributed to the overall increase in sewer charges revenue, averaging approximately 1.3% per year.

The District began the approved sewer lateral program during 2016. Sewer lateral fee revenue amounted to \$707,450 in 2025 and \$702,688 in 2024, overall relatively consistent. Connection fees decreased in 2025 by 43% or \$813,470 compared to 2024. Development within the newly constructed treatment plant's service area occurred earlier than anticipated, resulting in significant connection fee revenue during fiscal year 2023 and 2024 while the plant was still under construction. Consequently, connection fee revenue slowed during fiscal year 2025 as developers shifted their focus to completing projects already underway.

The total operating expenses increased 12% in 2025 compared to 2024, driven by several key factors. Benefit expenses grew during 2025 largely due to higher insurance premiums and the recognition of a significant increase in the District's Other Post-Employment Benefits (OPEB) obligation. The OPEB liability increased approximately \$435,600, resulting from updated employee census information, rising medical insurance premiums, greater participation in post-employment insurance coverage, and a decrease in the average retirement age from 64 to 63. These changes collectively contributed to a substantial increase in the actuarial accrued liability.

Contractual services expenditures also increased in 2025 relative to 2024. This growth primarily reflects the engagement of an external consultant to support organizational development initiatives, including DiSC training and broader efforts to enhance communication and workplace culture. Additional increases resulted from engineering contractual services related to the development of an industrial pretreatment program, as well as higher costs for contracted building services such as lawn care.

Repair and maintenance expenditures increased by 5% over prior year, largely due to the District's completion of essential maintenance across its treatment plants, lift stations, as well as an increase in sewer lateral repairs. Supplies expenditures increased by 40% compared to 2024. The District placed particular emphasis on manhole rehabilitation during 2025, resulting in an increase of approximately \$33,000 over the prior year.

DUCKETT CREEK SANITARY DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

The addition of the new Treatment Plant 4 facility also contributed to higher operating expenses. Utilities, supplies, treatment-related materials, insurance, and depreciation all increased with the facility coming online. Utility expenses increased by approximately 9%, and the District expended an additional \$71,000 for polymer associated with the new treatment plant processes. Laboratory supplies increased by 14% due to testing requirements at the new plant. Program insurance increased by 7% following the addition of coverage for the new facility. Depreciation expense increased by 10% in 2025 as the new plant was placed into service mid-year, resulting in a partial year of depreciation being recorded.

The total operating expenses increased 4% in 2024 compared to 2023 primarily due to the increase in wages and benefits paid out to employees as the District continues to implement a more competitive pay plan. As in prior years, expense variations compared to 2023 include budgeted increases in all departments. Expense increases include a 271% increase in plant odor control due to repairs made to odor control equipment at our Treatment Plant 2 facility, as well as a large increase in paving done to maintain facilities and grounds throughout the District. Utilities had an overall increase of 9%, but water decreased by 13% as the result of a process improvement related to odor control which significantly reduced water usage. Sewer Lateral repairs decreased by 8% or \$38,230 for residential sewer lateral repair work. Personnel expenses for salaries and benefits continue to increase over prior years due to higher health insurance premiums, the adoption of a new pay plan in October 2022, salary adjustments within the new pay plan, full staffing and interns utilized during 2024, and related pension increases. The District’s pay plan changes were made with the goal of increasing retention of experienced staff in order to compete with local utility providers who offered higher wages as a way to recruit the District’s trained staff.

CAPITAL ASSETS

The District’s capital assets summary as of December 31, was as follows:

	2025	2024	2023
Land	\$ 2,158,942	\$ 2,158,942	\$ 2,158,942
Construction in progress	2,613,922	40,018,295	16,390,211
Plant systems and building	117,019,675	76,170,524	75,657,913
Infrastructure	52,276,846	46,704,791	46,676,369
Equipment	3,394,057	3,430,360	2,723,449
TOTAL CAPITAL ASSETS, NET OF DEPRECIATION AND AMORTIZATION	\$ 177,463,442	\$ 168,482,912	\$ 143,606,884

DUCKETT CREEK SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

2025 Analysis: Capital assets net of depreciation were \$177,463,442 at December 31, 2025 compared to \$168,482,912 at December 31, 2024 an increase of \$8,980,530 or 5.3%. Major capital additions during 2025 included the completion of the new Treatment Plant 4 facility, which went online in mid-summer 2025. This project significantly expands service capacity in the western portion of the District. The completion of this facility resulted in a substantial transfer of costs from Construction in Progress to the Plant Systems and Buildings categories. To enhance operational efficiency and resiliency, the District began installation of a biosolids conveyor system at Treatment Plant 1 and added a secondary heating unit to the Treatment Plant 2 press room to ensure continuous operations during extreme cold. Additionally, the Treatment Plant 2 chemical storage building was completed, improving safety and storage capabilities.

The District continued its multi-year commitment to system reliability by performing upgrades at the Highway DD, Highway K, Dardenne, and O'Fallon Hills lift stations. Furthermore, installation began on the new Clover Meadows lift station to optimize system functions. The District re-initiated its Cured-In-Place Pipe (CIPP) program in 2025. This proactive rehabilitation effort of the collection system is expected to continue for several years to extend the life of the existing sewer collection system.

During 2025, the District continued its annual fleet replacement program by acquiring four new trucks, and a used Ford Escape. Other capital additions included a John Deere front-end loader specifically for the land application of biosolids, as well as two forklifts to support operations at Treatment Plant 2 and Treatment Plant 4.

2024 Analysis: Capital assets net of depreciation were \$168,482,912 at December 31, 2024 compared to \$143,606,884 at December 31, 2023 an increase of \$24,876,028 or 17%. Significant additional capital assets include new vehicles, tractors, and a crane, but the largest amounts are for the TP4 plant construction costs and improvements to several existing lift stations. Other significant additions include capital contributed from various subdivisions and a lift station added to the District.

Additional information on the District's capital assets can be found in Note 4 of the notes to the financial statements.

DEBT ADMINISTRATION

In the past the District issued revenue bonds, certificates of participation, and obtained lease financing to fund projects such as treatment plant construction, upgrades and expansion of the system. The revenue from the sewer system, District infrastructure and the reserves established by bond ordinances collateralize the issued debt. In 2025, the District made principal payments of \$4,650,026. During 2024, the District made principal payments of \$4,517,361. The debt issues are discussed in Note 5 of the notes to the financial statements.

DUCKETT CREEK SANITARY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

FINANCIAL CONTACT

This financial report is designed to provide our citizens, customers, investors, and creditors with the general overview of the District's finances and to demonstrate the District's accountability for the monies it receives. If you have questions about this report or need additional financial information, contact:

Duckett Creek Sanitary District
Bridget Knudsen
Director of Finance and Administration
3550 Highway K
O'Fallon, MO 63368

BASIC FINANCIAL STATEMENTS

DUCKETT CREEK SANITARY DISTRICT

STATEMENTS OF NET POSITION

December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,237,963	\$ 1,092,079
Investments	25,017,526	21,807,016
Receivables		
Accounts receivable	631,760	599,186
Sewer lateral receivable	697,082	687,829
Lease receivable	4,171	4,049
Other receivable	26,944	3,205
Interest receivable	162,889	115,529
Unbilled revenue	2,624,609	2,550,678
Inventory	1,795,853	1,726,641
Prepays	19,785	18,785
	<hr/>	<hr/>
Subtotal	32,218,582	28,604,997
Restricted assets		
Cash and cash equivalents	1,500,000	11,844,880
Investments	397,215	1,461,864
Interest receivable	-	4,434
	<hr/>	<hr/>
Total restricted assets	1,897,215	13,311,178
	<hr/>	<hr/>
Total current assets	34,115,797	41,916,175
Noncurrent assets		
Receivables		
Lease	556,412	560,583
Other	1,259,544	-
	<hr/>	<hr/>
Total receivables	1,815,956	560,583
Capital assets		
Land	2,158,942	2,158,942
Construction in progress	2,613,922	40,018,295
Plant systems and building	159,689,266	116,379,111
Infrastructure	70,684,757	64,277,506
Equipment	7,387,914	7,186,294
	<hr/>	<hr/>
Total cost	242,534,801	230,020,148
Less accumulated depreciation and amortization	(65,071,359)	(61,537,236)
	<hr/>	<hr/>
Total capital assets	177,463,442	168,482,912
	<hr/>	<hr/>
Total noncurrent assets	179,279,398	169,043,495
	<hr/>	<hr/>
Total assets	213,395,195	210,959,670
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to pensions	1,469,564	1,102,570
	<hr/>	<hr/>
Total deferred outflows of resources	1,469,564	1,102,570

(This statement is continued on the following page.)

DUCKETT CREEK SANITARY DISTRICT

STATEMENTS OF NET POSITION (Continued)

December 31, 2025 and 2024

	2025	2024
LIABILITIES		
Current liabilities		
Accounts payable	\$ 889,298	\$ 4,989,479
Current maturities of long-term debt	2,652,168	4,764,266
Interest payable	150,350	172,939
Accrued wages	228,291	195,554
Unearned revenues	263,663	215,360
Payroll withholdings and taxes payable	58,019	52,301
	4,241,789	10,389,899
Noncurrent liabilities		
Revenue bonds payable	-	2,210,000
Arbitrage rebate payable	363,429	358,846
Certification of participation	41,410,000	43,070,000
Purchase agreement payable	766,000	1,516,000
Compensated absences	237,086	221,560
Net pension liability	4,562,544	4,164,435
OPEB liability	619,498	183,600
Lease payable	4,265	6,921
SBITA payable	43,822	59,462
Less - current maturities	(2,652,168)	(4,764,266)
	45,354,476	47,026,558
Total noncurrent liabilities		
	49,596,265	57,416,457
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to pensions	270,181	324,860
Deferred amounts related to leases	499,820	517,055
	770,001	841,915
NET POSITION		
Net investment in capital assets	134,652,320	127,348,585
Restricted for		
Debt reserve funds	1,897,215	2,761,864
Debt service funds	-	27,061
Sewer lateral program	1,484,011	1,381,183
	3,381,226	4,170,108
Unrestricted	26,464,947	22,285,175
TOTAL NET POSITION	\$ 164,498,493	\$ 153,803,868

See accompanying notes to financial statements.

DUCKETT CREEK SANITARY DISTRICT

**STATEMENTS OF REVENUES, EXPENSES, AND
CHANGE IN NET POSITION**

For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
OPERATING REVENUES		
Sewer charges	\$ 18,801,739	\$ 18,570,059
Sewer lateral fees	707,450	702,688
Connection fees	1,093,660	1,907,130
Other	152,365	138,085
	<hr/>	
Total operating revenues	20,755,214	21,317,962
	<hr/>	
OPERATING EXPENSES		
Operating	5,427,579	4,797,188
Engineering	3,334,387	2,889,922
General and administrative	2,230,135	2,030,698
Depreciation and amortization	3,780,876	3,427,421
	<hr/>	
Total operating expenses	14,772,977	13,145,229
	<hr/>	
OPERATING INCOME	5,982,237	8,172,733
	<hr/>	
NON-OPERATING REVENUE (EXPENSES)		
Investment income	1,510,525	2,329,591
Interest expense	(1,903,270)	(2,139,156)
Gain on disposal of capital assets	62,828	119,988
	<hr/>	
Total non-operating revenue (expenses)	(329,917)	310,423
	<hr/>	
INCOME BEFORE CAPITAL CONTRIBUTIONS	5,652,320	8,483,156
	<hr/>	
CAPITAL CONTRIBUTIONS - UTILITY LINES	5,042,305	1,096,148
	<hr/>	
CHANGE IN NET POSITION	10,694,625	9,579,304
	<hr/>	
NET POSITION, JANUARY 1	153,803,868	144,224,564
	<hr/>	
NET POSITION, DECEMBER 31	\$ 164,498,493	\$ 153,803,868
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See accompanying notes to financial statements.

DUCKETT CREEK SANITARY DISTRICT

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 19,238,925	20,899,156
Cash paid to suppliers	(6,568,002)	(6,056,243)
Cash paid to employees	(4,093,805)	(3,899,353)
Other revenue	152,365	138,085
	<hr/>	<hr/>
Net cash from operating activities	8,729,483	11,081,645
	<hr/>	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(11,746,734)	(26,378,116)
Proceeds from disposal of assets	47,400	-
Principal paid on debt maturities	(4,650,026)	(4,517,361)
Interest paid on debt	(1,921,276)	(2,110,740)
	<hr/>	<hr/>
Net cash from capital and related financing activities	(18,270,636)	(33,006,217)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(5,759,749)	(6,835,274)
Proceeds from sale of investments	3,694,080	4,404,934
Interest received	1,407,826	2,180,878
	<hr/>	<hr/>
Net cash from investing activities	(657,843)	(249,462)
	<hr/>	<hr/>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,198,996)	(22,174,034)
CASH AND CASH EQUIVALENTS, JANUARY 1	12,936,959	35,110,993
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 2,737,963	\$ 12,936,959
	<hr/> <hr/>	<hr/> <hr/>

(This statement is continued on the following page.)

DUCKETT CREEK SANITARY DISTRICT

STATEMENTS OF CASH FLOWS (Continued)

For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES		
Operating income	\$ 5,982,237	8,172,733
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	3,780,876	3,427,421
(Increase) decrease in		
Accounts and sewer lateral receivable, and unbilled revenue	(1,407,043)	(191,186)
Inventory	(69,212)	(109,629)
Deferred outflows of resources related to pensions	(366,994)	(284,494)
Prepaid expenses	(1,000)	(18,785)
Increase (decrease) in		
Accounts payable	(70,993)	(117,385)
Accrued wages and vacation	32,737	45,129
Compensated absences	15,526	25,058
Unearned revenue	48,303	(90,051)
Payroll withholdings and taxes payable	5,718	12,047
Net pension liability	398,109	278,962
Total OPEB liability	435,898	(13,496)
Deferred inflow amounts related to pensions	(54,679)	(54,679)
Total adjustments	<u>2,747,246</u>	<u>2,908,912</u>
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 8,729,483</u>	<u>11,081,645</u>
Supplemental disclosure of cash flow information		
Reconciliation of cash and cash equivalents		
Cash and cash equivalents	\$ 1,237,963	\$ 1,092,079
Restricted cash and cash equivalents	1,500,000	11,844,880
Total cash and cash equivalents, December 31	<u>\$ 2,737,963</u>	<u>\$ 12,936,959</u>
Noncash investing, capital, and financing activities		
Contributed capital assets	<u>\$ 5,042,305</u>	<u>\$ 1,096,148</u>
Gain on fair value of investments	<u>\$ 59,773</u>	<u>\$ 104,671</u>
Capital assets payable at year-end	<u>\$ 587,035</u>	<u>\$ 4,616,824</u>
Capital assets acquired by lease and SBITA	<u>\$ 11,730</u>	<u>\$ -</u>

See accompanying notes to financial statements.

DUCKETT CREEK SANITARY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Duckett Creek Sewer District of St. Charles County, Missouri (the District) (also known as the Duckett Creek Sanitary District) is a sewer district and political subdivision organized and existing under the laws of the State of Missouri. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of the District are described below.

a. Reporting Entity

The District was formed in 1972 as a political subdivision and after approval of a 1977 bond issue, began sewer operations in 1978. The District owns and operates a revenue producing sewerage system serving the District and its inhabitants. The District occupies approximately one quarter of the total area of St. Charles County, Missouri (the County). The District's five member Board of Trustees is nominated by the County Executive and approved by the County Council. The County does not have significant influence on the District's services, and the District has no financial burden on the County.

The financial statements of the District include the financial activities of the District and any component units, entities which are financially accountable to the District. The District does not currently have any component units.

b. Basis of Presentation

The District's financial statements are presented in an enterprise fund. Enterprise funds are proprietary funds used to account for business-type activities provided to the general public and a periodic determination of revenue earned, expenses incurred, and/or change in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. When both restricted and unrestricted resources are available for use, it is the District's policy to use the restricted resources before unrestricted.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe how transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

Proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, change in net position, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s enterprise fund are charges to customers for services. The District also recognizes as operating revenue connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

d. Cash and Cash Equivalents

For the purposes of the statements of cash flows, the District considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

e. Investments

The District is authorized to invest funds not immediately needed for operating purposes to which the funds are applicable in obligations of the U.S. Treasury, U.S. Government agencies, bank certificates of deposit, money market funds, and other types allowed by debt issues. Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. All other investments are stated at fair value.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Budgets

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America except for depreciation, which is not budgeted. All annual appropriations lapse at fiscal year-end. The appropriated budget is prepared by department. All budget adjustments require the approval of the Executive Director. The legal level of control is at the entity level.

g. Accounts Receivable

The District is a grantor of credit to sewer customers within the District's boundaries. Consumer accounts receivable consist of balances owed for services billed. The District does not record an allowance for doubtful accounts because properties with unpaid balances have a lien placed on them. Any unpaid balance is subsequently paid when the property is sold. The District charges late fees of 3.50% per month for balances over 30 days past due.

The District has certain long-term receivables related to costs to be recovered through special assessments for upsized infrastructure.

h. Capital Assets/Intangible Assets

The costs of additions and betterments are capitalized at cost. Donated assets including dedicated sewer lines are recorded at their acquisition value on the date of donation as a capital contribution.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The capitalization threshold for capital assets is \$5,000 except for plant and lift station assets which is \$10,000. Amortization and depreciation are calculated on a straight-line basis over estimated service lives as follows:

Asset	Years
Software	3-5
Plant systems and building	8-75
Infrastructure	75
Equipment	5-25
Lease assets-equipment	5
Subscription-based assets	3-4

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets/Intangible Assets (Continued)

Intangible assets represent the District's right-to-use lease assets including equipment and for software-based nonfinancial assets as defined by GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Depreciation and amortization expense for the years ending December 31, 2025 and 2024, amounted to \$3,780,876 and \$3,427,421, respectively.

i. Debt Premiums

Premiums received over the face value of debt when it is issued is amortized against interest expense over the lives of the bonds. Amortization of premiums for the years ended December 31, 2025 and 2024 amounted to \$0 and \$216,569 respectively.

j. Deferred Charge on Refunding

A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized on the straight-line method over the shorter of the life of the refunded or refunding debt. Amortization of the deferred charge on refunding for the years ended December 31, 2025 and 2024 amounted to \$0 and \$44,053 respectively.

k. 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

l. Compensated Absences

Compensated absences consist of vacation leave, personal leave, and compensatory time. The District permits employees to accumulate earned but unused vacation. Vacation leave is accrued when earned. All accrued vacation must be used in the subsequent year. Personal leave can accumulate to a set amount allowable by the District, but it is not payable upon separation. Compensatory time is allowed for certain employees and it is accrued as earned by the employee. After an employee earns compensatory time, the District must pay out this time upon separation. All forms of leave are reported as a liability at the end of the year based on the likelihood of being paid out in the following year.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Inventories

Inventories are stated at average cost on the first-in, first-out method.

n. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets represents the book value of capital assets, reduced by outstanding long-term debt that is related to the acquisition of capital assets. Restricted net position, if any, is legally restricted by outside parties for a specific purpose. Unrestricted net position does not meet the definition of restricted or invested in capital assets. If restricted or unrestricted funds are available for spending, the restricted funds are spent first.

o. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

p. Pensions

For purposes of measuring the net pension asset/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 Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS' fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. LAGERS' investments are reported at fair value.

2. CASH AND INVESTMENTS

a. Deposits

The District's bank deposits are secured by certain securities held by the District or its agent in the District's name. The value of the securities exceeds the total of the District's cash not insured by the Federal Deposit Insurance Corporation.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

b. Investments

As of December 31, 2025, the District had the following investments:

Investments	Fair Value	Maturities					Credit Risk
		No Maturity	Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	
U.S. Government agency securities	\$ 1,039,300	\$ -	\$ 1,039,300	\$ -	\$ -	\$ -	AAA
Certificates of deposit	7,874,000	-	3,046,000	4,828,000	-	-	N/A
MOSIP	16,501,441	16,501,441	-	-	-	-	AAA
GRAND TOTAL INVESTMENTS	\$ 25,414,741	\$ 16,501,441	\$ 4,085,300	\$ 4,828,000	\$ -	\$ -	

As of December 31, 2024, the District had the following investments:

Investments	Fair Value	Maturities					Credit Risk
		No Maturity	Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	
U.S. Government agency securities	\$ 2,006,467	\$ -	\$ 1,277,535	\$ 728,932	\$ -	\$ -	AAA
Certificates of deposit	6,279,000	-	2,403,000	3,876,000	-	-	N/A
MOSIP	14,983,413	14,983,413	-	-	-	-	AAA
GRAND TOTAL INVESTMENTS	\$ 23,268,880	\$ 14,983,413	\$ 3,680,535	\$ 4,604,932	\$ -	\$ -	

Investment Policies

The District's formal investment policies are as follows:

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The District defines maximum maturities for approved investments per its investment policy including maturity for U.S. Government agency securities of five years.

2. CASH AND INVESTMENTS (Continued)

b. Investments (Continued)

Investment Policies (Continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District minimizes credit risk by following its investment policy regarding approval investment types authorized by the State of Missouri and diversifying the portfolio to reduce potential losses on individual securities. The District also limits its exposure to credit risk by primarily investing in U.S. Government agency securities, collateralized certificates of deposit and the Missouri Securities Investment Program (MOSIP). Money market funds are not subject to credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the District's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investment held by a third party acting as the District's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the District's name. Money market funds and MOSIP are not subject to custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District minimizes concentration of credit risk by diversifying the investment portfolio.

Concentration of credit risk is required to be disclosed by the District for investments in any one issuer that represent 5% or more of total investment (investments issued by or explicitly guaranteed by the United States Government, investments in mutual funds, investment in external investment pools, and investments in other pooled investments are exempt).

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

b. Investments (Continued)

Investment Policies (Continued)

Investment in Investment Pool

The District is a voluntary participant in the Missouri Securities Investment Program (MOSIP) that is a cooperative investment service established by an intergovernmental cooperative agreement. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by MOSIP for the entire MOSIP portfolio (in relation to the amortized cost of the portfolio). There are no withdrawal restrictions for MOSIP investments.

MOSIP was established on October 3, 1991, as an instrumentality of Missouri Public School Districts, municipalities and other political subdivisions pursuant to an intergovernmental cooperation agreement executed under the laws of the State of Missouri. MOSIP is governed by a Board of Directors elected by members. The objective of MOSIP is to enable eligible organizations to pool their available funds for investments in instruments permitted by Missouri Law. The District's participation currently is through investment in the MOSIP Money Market Series which is rated AAA from Standard & Poor's.

c. Fair Value Measurements

The District classifies its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

c. Fair Value Measurements (Continued)

As of December 31, 2025, the District has the following recurring fair value measurements:

	Total	Level 1	Level 2	Level 3
Investments by fair value level				
U.S. Government agency securities	\$ 1,039,300	\$ -	\$ 1,039,300	\$ -
Negotiable certificates of deposit	7,874,000	-	7,874,000	-
Total investments by fair value level	8,913,300	\$ -	\$ 8,913,300	\$ -
Investments not subject to fair value level classification				
MOSIP	16,501,441			
Money market funds	1,500,000			
TOTAL INVESTMENTS	\$ 26,914,741			

As of December 31, 2024, the District has the following recurring fair value measurements:

	Total	Level 1	Level 2	Level 3
Investments by fair value level				
U.S. Government agency securities	\$ 2,006,467	\$ -	\$ 2,006,467	\$ -
Negotiable certificates of deposit	6,279,000	-	6,279,000	-
Total investments by fair value level	8,285,467	\$ -	\$ 8,285,467	\$ -
Investments not subject to fair value level classification				
MOSIP	14,983,413			
Money market funds	11,844,880			
TOTAL INVESTMENTS	\$ 35,113,760			

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RESTRICTED ASSETS

Restricted cash, cash equivalents, and investments as of December 31, 2025 and 2024 consist of the following:

	<u>2025</u>	<u>2024</u>
Debt reserve funds	\$ 1,897,215	\$ 2,761,864
Debt service funds	-	200,000
Construction funds	-	10,344,880
TOTAL	<u>\$ 1,897,215</u>	<u>\$ 13,306,744</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$ 2,158,942	\$ -	\$ -	\$ 2,158,942
Construction in progress	40,018,295	1,634,768	39,039,141	2,613,922
Total capital assets not being depreciated	<u>42,177,237</u>	<u>1,634,768</u>	<u>39,039,141</u>	<u>4,772,864</u>
Capital assets being depreciated				
Plant systems and building	116,379,111	43,310,155	-	159,689,266
Infrastructure	64,277,506	6,407,251	-	70,684,757
Equipment	7,080,370	446,217	256,327	7,270,260
Total capital assets being depreciated	<u>187,736,987</u>	<u>50,163,623</u>	<u>256,327</u>	<u>237,644,283</u>
Intangible assets being amortized				
Lease assets - equipment	13,171	-	-	13,171
Subscription-based assets	92,753	11,730	-	104,483
Total intangible capital assets being amortized	<u>105,924</u>	<u>11,730</u>	<u>-</u>	<u>117,654</u>

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Less accumulated depreciation for				
Plant systems and building	\$ 40,208,587	\$ 2,461,004	\$ -	\$ 42,669,591
Infrastructure	17,572,715	835,196	-	18,407,911
Equipment	3,713,657	453,759	246,753	3,920,663
Total accumulated depreciation	61,494,959	3,749,959	246,753	64,998,165
Less accumulated amortization for				
Lease assets - equipment	6,448	2,634	-	9,082
Subscription-based assets	35,829	28,283	-	64,112
Total accumulated amortization	42,277	30,917	-	73,194
Total capital assets being depreciated and amortized, net	126,305,675	46,394,477	9,574	172,690,578
TOTAL CAPITAL ASSETS, NET	\$ 168,482,912	\$ 48,029,245	\$ 39,048,715	\$ 177,463,442

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	\$ 2,158,942	\$ -	\$ -	\$ 2,158,942
Construction in progress	16,390,211	23,729,949	101,865	40,018,295
Total capital assets not being depreciated	18,549,153	23,729,949	101,865	42,177,237
Capital assets being depreciated				
Plant systems and building	113,653,389	2,758,363	32,641	116,379,111
Infrastructure	63,440,858	836,648	-	64,277,506
Equipment	6,266,114	1,158,964	344,708	7,080,370
Total capital assets being depreciated	183,360,361	4,753,975	377,349	187,736,987
Intangible assets being amortized				
Lease assets - equipment	13,171	-	-	13,171
Subscription-based assets	92,753	-	-	92,753
Total intangible capital assets being amortized	105,924	-	-	105,924

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Less accumulated depreciation for				
Plant systems and building	\$ 37,995,476	\$ 2,213,111	\$ -	\$ 40,208,587
Infrastructure	16,764,489	808,226	-	17,572,715
Equipment	3,636,264	376,132	298,739	3,713,657
Total accumulated depreciation	<u>58,396,229</u>	<u>3,397,469</u>	<u>298,739</u>	<u>61,494,959</u>
Less accumulated amortization for				
Lease assets - equipment	3,814	2,634	-	6,448
Subscription-based assets	8,511	27,318	-	35,829
Total accumulated amortization	<u>12,325</u>	<u>29,952</u>	<u>-</u>	<u>42,277</u>
Total capital assets being depreciated and amortized, net	<u>125,057,731</u>	<u>1,326,554</u>	<u>78,610</u>	<u>126,305,675</u>
TOTAL CAPITAL ASSETS, NET	<u><u>\$ 143,606,884</u></u>	<u><u>\$ 25,056,503</u></u>	<u><u>\$ 180,475</u></u>	<u><u>\$ 168,482,912</u></u>

5. LONG-TERM DEBT

The District issues long-term debt to provide funds for the acquisition and construction of major capital facilities. Long-term debt outstanding at December 31, 2025 is as follows:

- Series 2015 sewerage system refunding revenue bonds to advance refund a portion of the District's outstanding Series 2006 revenue bonds. In general, the bonds are payable from a pledge of net revenues as determined by the bond agreements. Default provisions for the bonds comprise various requirements including amounts becoming due and payable. In addition, the terms of the bonds have certain optional redemption provisions which allow the District to redeem the bonds. These bonds were paid off during 2025.
- 2016 purchase agreement, structured as a lease purchase agreement, to finance construction improvements to the District's treatment plants. The default provisions for the lease purchase agreement comprise various requirements including amounts becoming due and payable, together with interest at the lesser of one and one-half percent per month or the maximum permitted by law. In addition, remedies comprise various provisions including all payments for the current renewal term becoming due, taking possession of the project, selling or leasing the project for all or a portion of the remainder of the term of the agreement.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

- Series 2022 certificates of participation private placement agreement to finance capital improvements for a new treatment facility. The default provisions for the debt agreement comprise various requirements including amounts becoming payable. In addition, remedies comprise various provisions including taking possession of the property, selling or leasing the property for all or a portion of the remainder of the term of the agreement. Also, the District has the option to purchase the project with appropriate written notice at a certain time period.

Certain terms of the private placement debt and certificates of participation are as follows:

Date of Issue	Series	Original Principal	Interest Rate	Maturity Date
11/23/2016	2016	\$ 7,063,000	2.00	07/01/2026
11/15/2022	2022	46,115,000	4.13	12/01/2042

- The District entered into a lease agreement for a printer effective February 2022 which extends through January 2027 with payments of \$128 paid monthly. The total intangible right-to-use asset acquired under this agreement was \$7,315.
- The District entered into a lease agreement for a postage machine effective February 2023 which extends through February 2029 with payments of \$111 paid monthly. The total intangible right-to-use asset acquired under this agreement was \$5,856.
- The District entered into two software-based technology arrangements effective August and October 2023 which extend through August 2026 and December 2027, respectively. The total intangible right-to-use assets acquired under these agreements were \$45,264 and \$47,489, respectively, with monthly payments of ranging from \$1,233 to \$1,359.
- The District entered into a software-based technology arrangement effective October 2025 which extends through October 2028. The total intangible right-to-use assets acquired under this agreement was \$11,730 with monthly payments of \$345.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

The following is a schedule of the principal and interest requirements:

For The Years Ending December 31,	Private Placement Debt			
	Purchase Agreement		COPS	
	Principal	Interest	Principal	Interest
2026	\$ 766,000	\$ 15,533	\$ 1,730,000	\$ 1,710,233
2027	-	-	1,800,000	1,638,784
2028	-	-	1,875,000	1,564,444
2029	-	-	1,950,000	1,487,007
2030	-	-	2,030,000	1,406,472
2031-2035	-	-	11,490,000	5,702,291
2036-2040	-	-	14,065,000	3,125,791
2041-2042	-	-	6,470,000	403,501
Total	\$ 766,000	\$ 15,533	\$ 41,410,000	\$ 17,038,523

For The Years Ending December 31,	Lease			
	Lease		SBITA Payable	
	Principal	Interest	Principal	Interest
2026	\$ 2,738	\$ 364	\$ 24,755	\$ 751
2027	1,421	347	16,011	339
2028	106	111	3,056	50
Total	\$ 4,265	\$ 822	\$ 43,822	\$ 1,140

The long-term debt is collateralized by the revenue from the sewer system and the various special funds established by the bond covenants. The ordinances provide that the revenue of the system is to be used first to pay operating and maintenance expenses of the system and second to establish and maintain the revenue bond funds. Any remaining revenues may then be used for any lawful purpose. Deposits in the revenue bond funds are to be made by the first day of each month. The ordinances also contain certain provisions which require the District to maintain pledged revenues, as defined in the ordinances, for each year of at least 110% of the annual debt service requirements. For fiscal year 2025, the debt service coverage was 178%.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

A summary of changes in long-term debt for the year ended December 31, 2025 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Sewerage System					
Revenue bonds					
Series 2015	\$ 2,210,000	\$ -	\$ 2,210,000	\$ -	\$ -
Private					
placement debt					
2016 Purchase					
agreement	1,516,000	-	750,000	766,000	766,000
2022 COPS	43,070,000	-	1,660,000	41,410,000	1,730,000
Lease	6,921	-	2,656	4,265	2,738
SBITA payable	59,462	11,730	27,370	43,822	24,755
Compensated					
absences	221,560	15,526	-	237,086	118,543
Net pension					
liability	4,164,435	398,109	-	4,562,544	-
Total OPEB					
liability	183,600	435,898	-	619,498	10,132
Arbitrage rebate					
liability	358,846	4,583	-	363,429	-
TOTAL	\$ 51,790,824	\$ 865,846	\$ 4,650,026	\$ 48,006,644	\$ 2,652,168

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

A summary of changes in long-term debt for the year ended December 31, 2024 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Amounts Due Within One Year
Sewerage System					
Revenue bonds					
Series 2015	\$ 4,370,000	\$ -	\$ 2,160,000	\$ 2,210,000	\$ 2,210,000
Private					
placement debt					
2016 Purchase					
agreement	2,251,000	-	735,000	1,516,000	750,000
2022 COPS	44,665,000	-	1,595,000	43,070,000	1,660,000
Lease	9,473	-	2,552	6,921	2,643
SBITA payable	84,271	-	24,809	59,462	26,410
Premium	216,569	-	216,569	-	-
Compensated					
absences	196,502	25,058	-	221,560	110,780
Net pension					
liability	3,885,473	278,962	-	4,164,435	-
Total OPEB					
liability	197,096	-	13,496	183,600	4,433
Arbitrage rebate					
liability	135,912	222,934	-	358,846	-
TOTAL	\$ 56,011,296	\$ 526,954	\$ 4,747,426	\$ 51,790,824	\$ 4,764,266

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District purchases commercial insurance to cover risks related to building and other District property, crimes, business, travel, earthquakes, and employee blanket bonds. Health insurance is maintained by a third-party indemnity company. Settled claims resulting from these risks have not exceeded coverage in any of the past four years.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN

a. Plan Description

The District’s defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. Effective July 1, 2019, the District participates in LAGERS. LAGERS is an agent multiple-employer, state-wide public employee pension plan established in 1967 and administered in accordance with RSMo 70.600-70.755. As such, it is LAGERS’ responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS’ Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS’ website at www.molagers.org.

b. Benefits Provided

LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after five years of credited service. Employees who retire on or after age 60 with five or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of five years of credited service and after attaining age 55 and receive a reduced allowance.

	2025 and 2024 Valuation
Benefit multiplier	1.50% for life
Final average salary	3 years
Member contributions	4%

Benefit terms provide for annual post-retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

c. Employees Covered by Benefit Terms

The following employees were covered as of June 30, 2025 and 2024 by the benefit terms:

	2025	2024
Inactive employees or beneficiaries currently receiving benefits	7	6
Inactive employees entitled to but not yet receiving benefits	4	4
Active employees	47	46
TOTAL	58	56

d. Disclosures as of December 31, 2025

Contributions

The District is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the District contribute 4% to the pension plan. The District's contribution rate is 15.10% of annual covered payroll.

Net Pension Liability (Asset)

The District's net pension liability (asset) was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2025. The roll forward of total pension liability from February 28, 2025 to June 30, 2025 reflects expected service cost and interest reduced by actual benefit payments.

Actuarial Assumptions

The total pension liability in the February 28, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary increase	2.75% to 6.75% including wage inflation
Investment rate of return	7.00%, net of investment expenses

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

d. Disclosures as of December 31, 2025 (Continued)

Actuarial Assumptions (Continued)

The healthy retiree mortality tables, for post-retirement mortality used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females.

The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above-described tables.

The actuarial assumptions used in the February 28, 2025 valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 29, 2020.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized:

Asset Class	Target Allocation	Weighted Average Long-term Expected Real Rate of Return
Alpha	5.00%	1.76%
Equity	39.00%	3.39%
Fixed income	23.00%	3.54%
Real estate	33.00%	2.68%
Strategic assets	7.00%	2.83%
Cash/leverage	(7.00%)	(0.86%)

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

d. Disclosures as of December 31, 2025 (Continued)

Discount Rate

The discount rate used to measure the total pension liability is 7%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay 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 payment to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JUNE 30, 2024	\$ 7,763,315	\$ 3,598,880	\$ 4,164,435
Changes for the year			
Service cost	373,835	-	373,835
Interest	550,358	-	550,358
Difference between expected and actual experience	535,495	-	535,495
Contributions - employer	-	604,101	(604,101)
Contributions - employee	-	165,218	(165,218)
Net investment income	-	258,981	(258,981)
Benefit payments, including refunds	(172,545)	(172,545)	-
Administrative expense	-	(7,054)	7,054
Other changes	-	40,333	(40,333)
Net changes	1,287,143	889,034	398,109
BALANCES AT JUNE 30, 2025	\$ 9,050,458	\$ 4,487,914	\$ 4,562,544

The funded status of the Plan at June 30, 2025 was 49.59%.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

d. Disclosures as of December 31, 2025 (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using the discount rate of 7.00%, as well as what the District's net pension liability would be using a discount rate that is 1% point lower (6.00%) or 1% point higher (8.00%) than the current rate.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Net pension liability	\$ 5,904,591	\$ 4,562,544	\$ 3,448,541

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2025, the District recognized pension expense of \$577,267. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences in experience	\$ 1,068,187	\$ (49,901)	\$ 1,018,286
Assumptions changes	-	(220,280)	(220,280)
Net difference between projected and actual earnings on pension plan investments	108,328	-	108,328
Contributions subsequent to the measurement date*	293,049	-	293,049
TOTAL	\$ 1,469,564	\$ (270,181)	\$ 1,199,383

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability (asset) for the next fiscal year.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

d. Disclosures as of December 31, 2025 (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For The Years Ending <u>December 31</u>	
2026	\$ 162,672
2027	136,017
2028	119,601
2029	107,218
2030	114,359
Thereafter	<u>266,467</u>
 TOTAL	 <u><u>\$ 906,334</u></u>

Payable to the Pension Plan

At December 31, 2025 the District reported a payable of \$46,363 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2025.

e. Disclosures as of December 31, 2024

Contributions

The District is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the District contribute 4% to the pension plan. The District's contribution rate is 15.60% of annual covered payroll.

7. DEFINED BENEFIT PENSION PLAN (Continued)

e. Disclosures as of December 31, 2024 (Continued)

Net Pension Liability (Asset)

The District's net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 29, 2024. The roll forward of total pension liability from February 29, 2024 to June 30, 2024 reflects expected service cost and interest reduced by actual benefit payments.

Actuarial Assumptions

The total pension liability in the February 29, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary increase	2.75% to 6.75% including wage inflation
Investment rate of return	7.00%, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females.

The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above-described tables.

The actuarial assumptions used in the February 29, 2024 valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 29, 2020.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

e. Disclosures as of December 31, 2024 (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-term Expected Real Rate of Return
Alpha	5.00%	2.37%
Equity	39.00%	5.37%
Fixed income	23.00%	1.47%
Real estate	33.00%	3.45%
Strategic assets	7.00%	3.46%
Cash/leverage	(7.00%)	(0.26%)

Discount Rate

The discount rate used to measure the total pension liability is 7%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay 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 payment to determine the total pension liability.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

e. Disclosures as of December 31, 2024 (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JUNE 30, 2023	\$ 6,768,823	\$ 2,883,350	\$ 3,885,473
Changes for the year			
Service cost	329,651	-	329,651
Interest	480,877	-	480,877
Difference between expected and actual experience	308,449	-	308,449
Contributions - employer	-	561,806	(561,806)
Contributions - employee	-	144,489	(144,489)
Net investment income	-	159,075	(159,075)
Benefit payments, including refunds	(124,485)	(124,485)	-
Administrative expense	-	(7,224)	7,224
Other changes	-	(18,131)	18,131
Net changes	994,492	715,530	278,962
BALANCES AT JUNE 30, 2024	\$ 7,763,315	\$ 3,598,880	\$ 4,164,435

The funded status of the Plan at June 30, 2024 was 46.36%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using the discount rate of 7.00%, as well as what the District's net pension liability would be using a discount rate that is 1% point lower (6.00%) or 1% point higher (8.00%) than the current rate.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Net pension liability	\$ 5,317,608	\$ 4,164,435	\$ 3,206,769

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

e. Disclosures as of December 31, 2024 (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the District recognized pension expense of \$534,273. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences in experience	\$ 691,666	\$ (61,894)	\$ 629,772
Assumptions changes	-	(262,966)	(262,966)
Net difference between projected and actual earnings on pension plan investments	114,585	-	114,585
Contributions subsequent to the measurement date*	296,319	-	296,319
TOTAL	\$ 1,102,570	\$ (324,860)	\$ 777,710

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability (asset) for the next fiscal year.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For The Years Ending December 31	
2026	\$ 60,100
2027	97,601
2028	70,946
2029	54,530
2030	42,148
Thereafter	156,066
TOTAL	\$ 481,391

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

7. DEFINED BENEFIT PENSION PLAN (Continued)

- e. Disclosures as of December 31, 2024 (Continued)

Payable to the Pension Plan

At December 31, 2024, the District reported a payable of \$46,302 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2024.

8. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

- a. Plan Description

The District's Other Postemployment Benefits (OPEB) plan (the Plan) provides OPEB for retirees of the District effective January 1, 2020. The Plan is a single-employer defined benefit healthcare plan administered by the District. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through modifications by the Board of Trustees. No assets are accumulated in a trust for the Plan. The District does not issue a separate report related to post-retirement healthcare benefits.

- b. Benefits Provided

The District provides post-retirement healthcare benefits to all retirees and retiree spouses. To be eligible for benefits, an employee must qualify for retirement with a minimum of five years of service and be age 60. All health care benefits are provided through the District's level-funded health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services, mental, nervous and substance abuse care and prescriptions. Once reaching Medicare age, retirees and retiree spouses are no longer covered by the District's active employee health plan. All retirees and retiree spouses contribute 100% of the group rate determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan which results in an implicit subsidy to the District. For retirees choosing the high deductible health plan (HDHP), the District funds a Health Savings Account for deductible offset at the same amount as active employees which is currently \$1,900 for single coverage and \$3,800 for retiree plus spouse coverage. For retirees choosing the PPO plan, the District will reimburse the same portion of the deductible as active employees, which is currently \$400 for single coverage and \$800 for retiree plus spouse coverage. The high deductible health plan (HDHP) was utilized for all calculations.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
(Continued)

c. Employees Covered by Benefit Terms

The following employees were covered by the benefit terms at December 31, 2025 and 2024:

	2025	2024
Inactive employees or beneficiaries currently receiving benefits	4	4
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	48	46
TOTAL	52	50

d. Disclosures as of December 31, 2025

Total OPEB Liability

The District's total OPEB liability was measured as of December 31, 2025, and was determined by an actuarial valuation as of December 31, 2025.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Actuarial cost method	Entry-age normal
Salary increase	3.50% (previously 3.0% in 2023 and 2022)
Discount rate	4.43% (previously 4.28% in 2024 and 4.0% in 2023)
Healthcare cost trend rates	4.10% to 5.80%, initial 4.10%

The discount rate was based on the 20-year tax exempt municipal bond yield at the end of the fiscal year. Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for ten years. The actuarial assumptions used in the December 31, 2025 valuation are based on 55% participation assumed.

The total OPEB Liability is calculated using the Alternative Measurement Method in accordance with GASB methodology.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
(Continued)

d. Disclosures as of December 31, 2025 (Continued)

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT DECEMBER 31, 2024	\$ 183,600
Changes for the year	
Service cost	8,282
Interest	7,998
Assumption changes	(7,851)
Employer contributions	(10,132)
Other economic/demographic changes	<u>437,601</u>
Net changes	<u>435,898</u>
BALANCES AT DECEMBER 31, 2025	<u>\$ 619,498</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, calculated using the discount rate of 4.43%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (3.43%) or 1% point higher (5.43%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 675,379	\$ 619,498	\$ 571,314

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
(Continued)

d. Disclosures as of December 31, 2025 (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, calculated using the healthcare cost trend rate of 4.10% to 5.80%, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1% point lower (3.10% to 4.80%) or 1% point higher (5.10% to 6.80%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Rate	1% Increase
Total OPEB liability	\$ 558,520	\$ 619,498	\$ 691,790

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the District recognized OPEB expense of \$446,030. All impacts of assumption changes, if any, and differences between actual and expected experience are recognized in the OPEB expense under the Alternative Measurement Method.

e. Disclosures as of December 31, 2024

Total OPEB Liability

The District's total OPEB liability was measured as of December 31, 2024, and was determined by an actuarial valuation as of December 31, 2024.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Actuarial cost method	Entry-age normal
Salary increase	3.00%
Discount rate	4.28% (previously 4.00%)
Healthcare cost trend rates	4.10% to 5.80%, initial 4.10%

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
(Continued)

e. Disclosures as of December 31, 2024 (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the 20-year tax exempt municipal bond yield at the end of the fiscal year. Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for ten years. The actuarial assumptions used in the December 31, 2024 valuation are based on 50% participation assumed.

The total OPEB liability is calculated using the Alternative Measurement Method in accordance with GASB methodology.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT DECEMBER 31, 2023	<u>\$ 197,096</u>
Changes for the year	
Service cost	8,018
Interest	8,117
Assumption changes	(4,940)
Employer contributions	(4,433)
Other economic/demographic changes	<u>(20,258)</u>
Net changes	<u>(13,496)</u>
BALANCES AT DECEMBER 31, 2024	<u><u>\$ 183,600</u></u>

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

8. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
(Continued)

e. Disclosures as of December 31, 2024 (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, calculated using the discount rate of 4.28%, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (3.28%) or 1% point higher (5.28%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$ 202,296	\$ 183,600	\$ 167,582

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, calculated using the healthcare cost trend rate of 4.10% to 5.80%, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1% point lower (3.10% to 4.80%) or 1% point higher (5.10% to 6.80%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Rate	1% Increase
Total OPEB liability	\$ 161,493	\$ 183,600	\$ 210,175

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the District recognized OPEB expense of \$9,063. All impacts of assumption changes, if any, and differences between actual and expected experience are recognized in the OPEB expense under the Alternative Measurement Method.

DUCKETT CREEK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LESSOR DISCLOSURES

The District entered a lease agreement on September 7, 2004, to lease space for the placement of wireless communications equipment. Payments ranging from \$1,000 to \$3,518 are due to the District in monthly installments, through October 2054. The lease agreement contains renewal terms and maintains an interest rate of 3.0%. During each of the fiscal years ended December 31, 2025 and 2024, the District collected \$20,988 and \$18,706 respectively. For both years ending December 31, 2025 and 2024 the District recognized a \$17,235 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement are \$560,583 and \$499,820, respectively, as of December 31, 2025. The remaining lease receivable and offsetting deferred inflow of resource for this agreement are \$564,632 and \$517,055, respectively, as of December 31, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

DUCKETT CREEK SANITARY DISTRICT

**SCHEDULE OF CHANGE IN NET PENSION LIABILITY (ASSET)
AND RELATED RATIOS**

Last Six Fiscal Years

	2025	2024	2023	2022	2021	2020
TOTAL PENSION LIABILITY						
Service cost	\$ 373,835	\$ 329,651	\$ 300,845	\$ 308,215	\$ 352,194	\$ 117,943
Interest on the total pension liability	550,358	480,877	427,698	379,124	332,105	3,916
Changes of benefit terms	-	-	-	-	-	4,756,250
Differences between expected and actual experience	535,495	308,449	147,746	138,995	336,336	(121,859)
Changes of assumptions	-	-	-	-	(433,710)	-
Benefit payments, including refunds	(172,545)	(124,485)	(136,795)	(121,080)	(19,100)	-
Net change in total pension liability	1,287,143	994,492	739,494	705,254	567,825	4,756,250
Total pension liability - beginning	7,763,315	6,768,823	6,029,329	5,324,075	4,756,250	-
TOTAL PENSION LIABILITY - ENDING (a)	\$ 9,050,458	\$ 7,763,315	\$ 6,768,823	\$ 6,029,329	\$ 5,324,075	\$ 4,756,250
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 604,101	\$ 561,806	\$ 482,395	\$ 430,399	\$ 429,341	\$ 415,014
Contributions - employee	165,218	144,489	128,464	161,014	278,538	233,573
Net investment income	258,981	159,075	95,563	2,874	259,755	4,381
Benefit payments, including refunds	(172,545)	(124,485)	(136,795)	(121,080)	(19,100)	-
Administrative expense	(7,054)	(7,224)	(7,615)	(4,754)	(4,527)	(5,788)
Other	40,333	(18,131)	25,374	218,532	9,459	8,333
Net change in plan fiduciary net position	889,034	715,530	587,386	686,985	953,466	655,513
Plan fiduciary net position - beginning	3,598,880	2,883,350	2,295,964	1,608,979	655,513	-
PLAN FIDUCIARY NET POSITION - ENDING (b)	\$ 4,487,914	\$ 3,598,880	\$ 2,883,350	\$ 2,295,964	\$ 1,608,979	\$ 655,513
EMPLOYER'S NET PENSION LIABILITY (ASSET) - ENDING (a)-(b)	\$ 4,562,544	\$ 4,164,435	\$ 3,885,473	\$ 3,733,365	\$ 3,715,096	\$ 4,100,737
Plan fiduciary net position as a percentage of the total pension liability	49.59%	46.36%	42.60%	38.08%	30.22%	13.78%
Covered payroll	\$ 4,093,807	\$ 3,537,505	\$ 3,091,039	\$ 2,890,829	\$ 3,079,994	\$ 3,080,057
Net pension liability (asset) as a percentage of covered payroll	111.45%	117.72%	125.70%	129.15%	120.62%	133.14%

Notes

The amounts noted above are as of the measurement date which is June 30 prior to the end of the fiscal year.

The discount rate decreased from 7.25% to 7.00% during the year ended June 30, 2021.

The plan was established in 2020. Additional years' information will be displayed as it becomes available, up to ten years.

(See independent auditor's report.)

DUCKETT CREEK SANITARY DISTRICT

SCHEDULE OF PENSION CONTRIBUTIONS

Last Seven Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2025	2024	2023	2022	2021	2020	2019
Actuarially determined pension contribution	\$ 600,527	\$ 594,703	\$ 522,760	\$ 445,900	\$ 431,825	\$ 416,573	\$ 203,886
Contributions in relation to the actuarially determined contribution	600,527	\$ 594,703	522,760	445,900	431,825	416,573	203,886
CONTRIBUTION DEFICIENCY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,976,997	\$ 3,812,201	\$ 3,372,647	\$ 3,075,171	\$ 3,106,655	\$ 3,155,854	\$ 1,544,590
Contributions as a percentage of covered payroll	15.10%	15.60%	15.50%	14.50%	13.90%	13.20%	13.20%

Notes to schedule

Valuation date

Actuarially determined contribution rates are calculated as of February 28/29 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates

Actuarial cost method	Entry-age normal and modified terminal funding
Amortization method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining amortization period	Multiple bases from 10 to 24 years
Asset valuation method	Five years smoothed fair value; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% to 6.75%, including wage inflation
Investment rate of return	7.00% net of investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

Other information

The roll-forward of total pension liability from February 29, 2020 to June 30, 2020 reflects expected service cost and interest reduced by actual benefit payments.

The discount rate decreased from 7.25% to 7.00% during the year ended June 30, 2021.

The plan was established in 2020. Additional years' information will be displayed as it becomes available, up to ten years.

(See independent auditor's report.)

DUCKETT CREEK SANITARY DISTRICT

SCHEDULE OF CHANGE IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Six Fiscal Years

	2025	2024	2023	2022	2021	2020
TOTAL OPEB LIABILITY						
Service cost	\$ 8,282	\$ 8,018	\$ 8,923	\$ 19,099	\$ 17,601	\$ 14,800
Interest	7,998	8,117	8,708	6,258	4,509	9,881
Change of benefit terms	-	-	-	-	-	343,875
Assumption changes	(7,851)	(4,940)	(5,895)	(52,823)	(6,091)	-
Employer contributions	(10,132)	(4,433)	(7,125)	(6,175)	(1,472)	-
Other economic/demographic changes	437,601	(20,258)	(36,844)	(138,234)	18,101	-
Net change in total OPEB liability	435,898	(13,496)	(32,233)	(171,875)	32,648	368,556
Total OPEB liability - beginning	183,600	197,096	229,329	401,204	368,556	-
TOTAL OPEB LIABILITY - ENDING	\$ 619,498	\$ 183,600	\$ 197,096	\$ 229,329	\$ 401,204	\$ 368,556
Covered employee payroll (for December 31 valuation)	\$ 4,140,568	\$ 3,810,675	\$ 3,372,376	\$ 3,069,919	\$ 3,090,473	\$ 3,087,886
Total OPEB liability as a percentage of covered employee payroll	14.96%	4.82%	5.84%	7.47%	12.98%	11.94%

Notes

There are no assets accumulated in a trust to pay related benefits for this plan.
 For the year ended December 31, 2021, the discount rate changed from 1.95% to 1.30%
 For the year ended December 31, 2022, the discount rate changed from 1.30% to 3.71%
 For the year ended December 31, 2023, the discount rate changed from 3.71% to 4.0%
 For the year ended December 31, 2024, the discount rate changed from 4.0% to 4.28%
 For the year ended December 31, 2025, the discount rate changed from 4.28% to 4.43%
 The plan was established in 2020. Information is not available for fiscal years prior to 2020. Additional years' information will be displayed as it becomes available, up to ten years.

(See independent auditor's report.)

STATISTICAL SECTION

STATISTICAL SECTION

This section of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial position and changes therein.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	45-49
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, water billings.	50-53
Debt Capacity This schedule presents information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	54-55
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	56-57
Operating Information These schedules contain capital asset data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	58-59

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

DUCKETT CREEK SANITARY DISTRICT

OPERATING EXPENSES BY TYPE

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Wages	\$ 4,142,068	\$ 3,969,540	\$ 3,576,886	\$ 3,254,578	\$ 3,215,080	\$ 3,212,018	\$ 3,156,216	\$ 3,002,831	\$ 2,901,121	\$ 2,671,964
Benefits*	2,202,121	1,655,726	1,401,847	884,363	1,180,343	5,790,806	951,579	1,005,003	1,067,203	973,434
Utilities	1,497,489	1,370,418	1,264,496	1,222,082	1,215,936	1,169,590	1,114,578	1,165,301	1,144,905	1,151,943
Repair/maintenance	1,381,481	1,318,974	1,642,852	1,936,650	1,434,931	1,425,254	1,407,810	1,537,119	798,763	537,204
Supplies	449,907	309,994	378,160	428,239	359,425	332,036	332,123	338,697	282,383	414,991
Treatment supplies	77,974	68,284	64,258	50,957	48,734	53,034	40,380	46,982	48,506	46,263
Insurance	216,130	202,438	167,739	164,017	167,849	177,803	172,671	166,934	175,720	168,768
Vehicle expense	265,000	256,983	271,715	281,953	213,276	183,888	194,508	202,843	182,366	160,588
Fees on bonds	2,275	1,445	2,819	9,968	4,965	6,655	8,171	10,406	10,223	50,505
Contractual services	592,753	436,892	457,439	405,439	369,154	305,365	313,379	329,704	400,860	367,406
Other	164,903	127,114	176,973	147,454	109,920	123,252	150,488	135,125	145,910	197,869
Depreciation	3,780,876	3,427,421	3,209,739	3,136,752	3,013,314	2,948,189	2,886,748	2,248,113	2,202,684	2,156,208
TOTAL	\$ 14,772,977	\$ 13,145,229	\$ 12,614,923	\$ 11,922,452	\$ 11,332,927	\$ 15,727,890	\$ 10,728,651	\$ 10,189,058	\$ 9,360,644	\$ 8,897,143

*The District implemented a new defined benefit pension plan and other post employment plan in 2020.

DUCKETT CREEK SANITARY DISTRICT

REVENUES AND EXPENSES BY FUNCTION

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
OPERATING REVENUES										
Sewer charges	\$ 18,801,739	\$ 18,570,059	\$ 16,989,128	\$ 13,870,706	\$ 13,528,062	\$ 13,063,579	\$ 13,260,001	\$ 13,083,480	\$ 13,031,281	\$ 12,773,760
Sewer lateral fees	707,450	702,688	693,172	687,718	692,119	683,202	668,898	679,206	672,343	655,832
Connection fees	1,093,660	1,907,130	1,406,462	558,262	1,372,688	1,293,600	500,216	638,400	751,805	525,118
Other	152,365	138,085	115,546	118,140	79,599	181,388	107,248	90,001	70,952	120,244
Total operating revenues	20,755,214	21,317,962	19,204,308	15,234,826	15,672,468	15,221,769	14,536,363	14,491,087	14,526,381	14,074,954
OPERATING EXPENSES										
Operating	5,427,579	4,797,188	4,605,119	5,043,759	4,551,999	6,048,122	4,159,737	4,190,829	3,345,601	3,447,814
Engineering	3,334,387	2,889,922	2,872,929	2,098,030	2,115,414	4,007,773	2,223,894	2,306,197	2,263,227	1,760,325
General and administrative	2,230,135	2,030,698	1,927,136	1,643,911	1,655,200	2,723,806	1,458,272	1,443,919	1,549,132	1,532,796
Depreciation	3,780,876	3,427,421	3,209,739	3,136,752	3,013,314	2,948,189	2,886,748	2,248,113	2,202,684	2,156,208
Total operating expenses	14,772,977	13,145,229	12,614,923	11,922,452	11,335,927	15,727,890	10,728,651	10,189,058	9,360,644	8,897,143
NET OPERATING INCOME (LOSS)	\$ 5,982,237	\$ 8,172,733	\$ 6,589,385	\$ 3,312,374	\$ 4,336,541	\$ (506,121)	\$ 3,807,712	\$ 4,302,029	\$ 5,165,737	\$ 5,177,811

DUCKETT CREEK SANITARY DISTRICT

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net investment in capital assets	\$ 134,652,320	\$ 127,348,585	\$ 120,634,151	\$ 113,286,291	\$ 111,070,739	\$ 107,033,309	\$ 103,306,994	\$ 101,190,473	\$ 97,551,590	\$ 91,423,619
Restricted	3,381,226	4,170,108	3,541,273	3,553,693	2,144,344	1,820,967	1,818,443	1,824,244	2,160,198	3,287,232
Unrestricted	26,464,947	22,285,175	20,049,140	18,982,488	15,915,642	14,687,790	17,512,332	15,386,247	13,590,718	13,079,086
TOTAL NET POSITION, AS PREVIOUSLY REPORTED	164,498,493	153,803,868	144,224,564	135,822,472	129,130,725	123,542,066	122,637,769	118,400,964	113,302,506	107,789,937
Change in accounting principle	-	-	-	(132,604)	-	-	-	-	-	-
TOTAL NET POSITION, RESTATED	\$ 164,498,493	\$ 153,803,868	\$ 144,224,564	\$ 135,689,868	\$ 129,130,725	\$ 123,542,066	\$ 122,637,769	\$ 118,400,964	\$ 113,302,506	\$ 107,789,937

DUCKETT CREEK SANITARY DISTRICT

CHANGE IN NET POSITION

Last Ten Fiscal Years

Year	Operating Revenues	Operating Expenses	Operating Income	Nonoperating Revenue (Expenses)	Income (Loss) Before Capital Contributions and Special Item	Capital Contributions and Special Item	Change in Net Position
2025	\$ 20,755,214	\$ 14,772,977	\$ 5,982,237	\$ (329,917)	\$ 5,652,320	\$ 5,042,305	\$ 10,694,625
2024	21,317,962	13,145,229	8,172,733	310,423	8,483,156	1,096,148	9,579,304
2023	19,204,308	12,614,923	6,589,385	576,594	7,165,979	1,368,717	8,534,696
2022	15,234,826	11,922,452	3,312,374	(723,695)	2,588,679	4,103,068	6,691,747
2021	15,672,428	11,332,927	4,339,501	(275,818)	4,063,683	1,524,976	5,588,659
2020	15,221,769	15,727,890	(506,121)	(207,633)	(713,754)	1,618,051	904,297
2019	14,536,363	10,728,651	3,807,712	(129,970)	3,677,742	559,063	4,236,805
2018	14,491,087	10,189,058	4,302,029	(105,442)	4,196,587	901,871	5,098,458
2017	14,526,381	9,360,644	5,165,737	(506,118)	4,659,619	852,950	5,512,569
2016	14,074,954	8,897,143	5,177,811	(341,777)	4,836,034	986,683	5,822,717

DUCKETT CREEK SANITARY DISTRICT

NONOPERATING REVENUES (EXPENSES)

Last Ten Fiscal Years

Year	Interest Expense	Investment Income	Gain (Loss) on Investments	Gain on Disposal of Capital Assets	Other Income	Debt Issue Costs	Total
2025	\$ (1,903,270)	\$ 1,450,752	\$ 59,773	\$ 62,828	\$ -	\$ -	\$ (329,917)
2024	(2,139,156)	2,224,920	104,671	119,988	-	-	310,423
2023	(2,217,202)	2,639,397	154,399	-	-	-	576,594
2022	(524,762)	300,834	(262,257)	-	-	(237,510)	(723,695)
2021	(389,759)	83,916	(38,935)	68,960	-	-	(275,818)
2020	(470,285)	204,175	131	58,346	-	-	(207,633)
2019	(548,009)	369,601	33,891	14,547	-	-	(129,970)
2018	(644,522)	304,704	(9,902)	20,582	223,696	-	(105,442)
2017	(742,632)	243,487	(16,834)	9,861	-	-	(506,118)
2016	(675,812)	372,247	2,931	21,400	-	(62,543)	(341,777)

DUCKETT CREEK SANITARY DISTRICT

SEWER RATES

Last Ten Fiscal Years

<u>Year</u>	<u>Commercial (1)</u>	<u>Residential (2)</u>
2025	5.35	26.75
2024	5.35 (5)	26.75
2023	4.40 (4)	26.75 (4)
2022	3.40 (3)	21.75
2021	3.05	21.75
2020	3.05	21.75
2019	3.05	21.75
2018	3.05	21.75
2017	3.05	21.75
2016	3.05	21.75

(1) Commercial rate is per thousand gallons of water usage

(2) Residential rate is monthly

(3) Increase effective March 1, 2022

(4) Increase effective March 1, 2023

(5) Increase effective March 1, 2024

DUCKETT CREEK SANITARY DISTRICT

NUMBER OF CUSTOMERS

Last Ten Fiscal Years

Year	Commercial		Residential		Total Customers	
	Number of Users	Percentage of System Use	Number of Users	Percentage of System Use	Number of Users	Percentage of System Use
2025	1,375	3.0%	45,152	97.0%	46,527	100.0%
2024	1,359	3.0%	44,543	97.0%	45,902	100.0%
2023	1,325	2.9%	43,864	97.1%	45,189	100.0%
2022	1,282	2.9%	43,268	97.1%	44,550	100.0%
2021	1,266	2.9%	42,811	97.1%	44,077	100.0%
2020	1,238	2.8%	42,425	97.2%	43,663	100.0%
2019	1,233	2.8%	42,085	97.2%	43,318	100.0%
2018	1,223	2.9%	41,538	97.1%	42,761	100.0%
2017	1,198	2.8%	41,078	97.2%	42,276	100.0%
2016	1,169	2.8%	40,643	97.2%	41,812	100.0%

Source: District's records

DUCKETT CREEK SANITARY DISTRICT

SYSTEM USAGE, BILLINGS, AND COLLECTIONS

Last Ten Fiscal Years

Year	System Use	Billings	Collections
2025	3,767,176,568	\$ 18,876,873	\$ 19,035,847
2024	3,512,332,073	18,580,815	18,477,939
2023	3,344,594,026	16,725,704	16,665,221
2022	3,416,939,369	14,037,483	14,218,354
2021	3,491,559,971	13,657,906	13,657,505
2020	3,549,907,295	13,221,534	13,294,747
2019	3,845,139,085	13,452,927	13,416,429
2018	3,221,358,869	13,262,304	13,285,059
2017	3,244,800,565	13,170,012	13,127,210
2016	3,362,373,550	12,908,875	12,900,247

Source: District's records

The billings and collections above do not include amounts for connection fees and sewer lateral fees.

DUCKETT CREEK SANITARY DISTRICT

TEN LARGEST CUSTOMERS BY GALLONS BILLED

Current Year and Nine Years Ago

2025				
Customer	Gallons	Type Of Business	Percent of Total	Revenue
Delmar Gardens Enterprises	30,103,100	Retirement Community	4%	\$ 161,052
Francis Howell School District	22,078,200	School District	3%	118,118
Progress West Health Care Center	20,434,000	Hospital	3%	109,322
St. Charles Community College	17,519,400	College	3%	93,729
Preserve @Research Assoc/Mallards Lndg Apts.	16,799,000	Residential Apartments	2%	89,875
Altair at the Preserve	13,794,700	Residential Apartments	2%	73,802
Prairie Point Apartments	12,811,500	Residential Apartments	2%	68,542
Stonecreek Communities	11,684,700	Residential Apartments	2%	62,513
Wentzville R-IV School District	11,474,500	School District	2%	61,389
Gables at Breeze Park	11,229,500	Retirement Community	2%	60,078
TOTAL	167,928,600		25%	\$ 898,420
2016				
Customer	Gallons	Type Of Business	Percent of Total	Revenue
Ashwood Investors LLC	20,011,900	Residential apartments	4%	\$ 61,036
Francis Howell School District	18,511,200	School District	3%	56,459
Citigroup	17,109,900	Corporate Office	3%	52,185
Delmar Gardens Enterprises	16,045,800	Retirement community	3%	48,940
St. Charles Community College	13,788,600	College	2%	42,055
Banner Property Mgmt./Enclave Apartments	13,279,600	Residential apartments	2%	40,503
Preserve @ Research Assoc/Mallard Lndg Apts	12,605,900	Residential apartments	2%	38,448
Mid Rivers Investment Group LP	10,903,000	Shopping Center	2%	33,254
Progress West Health Care Center	10,020,700	Hospital	2%	30,563
MasterCard International	8,332,700	Corporate Office	1%	25,415
TOTAL	140,609,300		24%	\$ 428,858

DUCKETT CREEK SANITARY DISTRICT

RATIOS OF OUTSTANDING DEBT

Last Ten Fiscal Years

Year	Revenue Bonds	Private Placement	Leases	SBITA	Total Long-term Debt	Population Served	Per Capita
2025	\$ -	\$ 42,176,000	\$ 4,265	\$ 43,822	\$ 42,224,087	125,623	\$ 336
2024	2,210,000	44,586,000	6,921	59,462	46,862,383	120,266	390
2023	4,586,569	46,916,000	9,473	84,271	51,596,313	118,433	436
2022	6,925,523	49,087,000	6,021	-	56,018,544	116,824	480
2021	9,209,470	3,679,000	-	-	12,888,470	115,590	112
2020	11,453,417	4,372,000	-	-	15,825,417	114,548	138
2019	13,662,364	5,051,000	-	-	18,713,364	113,630	165
2018	15,836,311	5,716,000	-	-	21,552,311	112,153	192
2017	18,003,851	6,368,000	-	-	24,371,851	110,911	220
2016	20,103,853	7,063,000	-	-	27,166,853	109,736	248

DUCKETT CREEK SANITARY DISTRICT

DEBT SERVICE COVERAGE

Last Ten Fiscal Years

Year	Revenues (1)	Expenses (2)	Available For Debt Service	Debt Service			Coverage
				Principal	Interest	Total	
2025	\$ 22,265,739	\$ 10,579,767	\$ 11,685,972	\$ 4,650,026	\$ 1,921,276	\$ 6,571,302	178%
2024	23,647,553	10,249,339	13,398,214	4,517,361	2,110,740	6,628,101	202%
2023	21,998,104	9,677,880	12,320,224	4,301,886	2,363,132	6,665,018	185%
2022	15,273,403	9,239,044	6,034,359	2,773,294	486,099	3,259,393	185%
2021	15,717,409	8,445,425	7,271,984	2,718,000	583,748	3,301,748	220%
2020	15,425,944	8,215,590	7,210,354	2,669,000	662,822	3,331,822	216%
2019	14,905,964	7,841,903	7,064,061	2,620,000	740,273	3,360,273	210%
2018	15,019,487	7,940,945	7,078,542	2,667,000	832,129	3,499,129	202%
2017	14,769,868	7,157,960	7,611,908	2,715,000	873,823	3,588,823	212%
2016	14,447,201	6,803,478	7,643,723	3,620,000	935,364	4,555,364	168%

(1) Excludes gains and losses on the disposal of capital assets and investments

(2) Excludes depreciation, actuarially determined pension and OPEB expense, and interest expense

DUCKETT CREEK SANITARY DISTRICT

TEN LARGEST EMPLOYERS

Current Year and Nine Years Ago

Employer	Type of Business	2025		2016	
		Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Amazon	Distribution Logistics	5,041	2.2%	N/A	N/A
General Motors	Manufacturer	4,124	1.8%	4,600	2.2%
MasterCard Worldwide	Financial Services	3,450	1.5%	2,400	1.1%
Fort Zumwalt School District	School District	2,800	1.2%	2,755	1.3%
Wentzville School District	School District	2,594	1.1%	1,872	0.9%
Francis Howell School District	School District	2,330	1.0%	2,402	1.1%
CitiMortgage	Financial Services	1,858	0.8%	4,000	1.9%
SSM St. Joseph Health Center	Health Care	1,547	0.7%	N/A	N/A
St. Charles County Government	Government	1,196	0.5%	N/A	N/A
BJC and Progress West Healthcare Center	Health Care	1,123	0.5%	N/A	N/A
Serco Inc.	Technology/Service Delivery	N/A	N/A	1,749	0.8%
Ameristar Casino	Hotel and Casino	N/A	N/A	1,600	0.8%
St. Charles City School District	School District	N/A	N/A	1,499	0.7%
True Manufacturing Co., Inc.	Manufacturer	N/A	N/A	1,475	0.7%

Source: St. Louis Regional Chamber

N/A: Not applicable

DUCKETT CREEK SANITARY DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Year	Population	Per Capita Personal Income	Unemployment Rate		Labor Force	Housing Permits - Total Units
			County	State		
2025	435,262	N/A	2.7%	3.9%	239,756	1,581
2024	423,726	\$ 71,954	2.6%	3.6%	235,940	1,978
2023	416,659	69,693	2.3%	3.0%	230,909	2,158
2022	413,798	65,108	1.8%	2.7%	229,812	2,358
2021	409,981	62,674	3.5%	4.4%	224,270	2,981
2020	405,262	54,472	5.2%	6.1%	220,982	2,880
2019	402,022	53,745	2.7%	3.4%	226,287	2,481
2018	399,182	50,284	2.5%	3.1%	220,677	2,310
2017	395,504	47,822	2.9%	3.8%	212,573	1,998
2016	390,918	47,082	3.5%	4.4%	218,281	2,364

All data is relative to St. Charles County, not specific to Duckett Creek Sanitary District.

Population information - U.S. Census Bureau

Per capita personal income - Bureau of Economic Analysis

Unemployment rates - U.S. Bureau of Labor Statistics

Labor force information - <https://fred.stlouisfed.org/MOSTLFN>

N/A - Information not available at time of publishing

DUCKETT CREEK SANITARY DISTRICT

OPERATING AND CAPITAL INDICATORS

Last Ten Fiscal Years

Indicators	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Miles of sanitary sewer	728	718	713	705	688	683	672	670	662	656
Number of service connections	51,512	50,893	49,652	48,700	48,450	47,647	46,641	46,521	45,953	45,627
Number of lift stations	50	48	47	50	50	50	50	50	50	50
Number of treatment plants	7	6	6	6	6	6	6	6	6	6
Daily average treatment (gallons)										
Plant #1	4.9 MGD	4.4 MGD	4.2 MGD	4.4 MGD	4.6 MGD	4.7 MGD	5.4 MGD	4.2 MGD	4.4 MGD	4.6 MGD
Plant #2	5.0 MGD	4.8 MGD	4.6 MGD	4.7 MGD	4.7 MGD	4.7 MGD	4.9 MGD	4.5 MGD	4.4 MGD	4.5 MGD
Plant #4	418,410 GPD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Augusta Shores Plant	10,738 GPD	12,340 GPD	9,522 GPD	9,628 GPD	16,515 GPD	16,220 GPD	13,967 GPD	15,042 GPD	15,503 GPD	15,609 GPD
Steven A. Rogers MBR Plant	8,072 GPD	10,623 GPD	9,409 GPD	11,299 GPD	9,421 GPD	7,468 GPD	9,628 GPD	9,828 GPD	8,065 GPD	8,219 GPD
Wyndgate MBR Plant	206,054 GPD	221,898 GPD	200,930 GPD	201,430 GPD	190,778 GPD	184,582 GPD	161,230 GPD	138,635 GPD	121,751 GPD	110,952 GPD
Riverdale MBR Plant	109,792 GPD	104,515 GPD	89,053 GPD	80,108 GPD	68,217 GPD	57,951 GPD	47,584 GPD	37,177 GPD	25,915 GPD	20,024 GPD
Maximum capacity of treatment plants										
Plant #1	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD
Plant #2	7.0 MGD	7.0 MGD	7.0 MGD	7.0 MGD	7.0 MGD	7.0 MGD	7.0 MGD	7.0 MGD	7.0 MGD	7.0 MGD
Plant #4	7.5 MGD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Augusta Shores Plant	60,000 GPD	60,000 GPD	60,000 GPD	60,000 GPD	60,000 GPD	60,000 GPD	60,000 GPD	60,000 GPD	60,000 GPD	60,000 GPD
Steven A. Rogers MBR Plant	25,000 GPD	25,000 GPD	25,000 GPD	25,000 GPD	25,000 GPD	25,000 GPD	25,000 GPD	25,000 GPD	25,000 GPD	25,000 GPD
Wyndgate MBR Plant	300,000 GPD	300,000 GPD	300,000 GPD	300,000 GPD	300,000 GPD	300,000 GPD	300,000 GPD	300,000 GPD	300,000 GPD	300,000 GPD
Riverdale MBR Plant	150,000 GPD	150,000 GPD	150,000 GPD	150,000 GPD	150,000 GPD	150,000 GPD	150,000 GPD	150,000 GPD	150,000 GPD	150,000 GPD

Source: District's records

N/A: Not applicable

DUCKETT CREEK SANITARY DISTRICT

NUMBER OF EMPLOYEES BY IDENTIFIABLE ACTIVITY

Last Ten Fiscal Years

Year	Maintenance and Operations	Inspection	General and Administration	Engineering	Total
2025	31.5	3	11	2.5	48
2024	30.5	3	12	2.5	48
2023	30.0	3	12	2.5	48
2022	29.5	3	12	2.5	47
2021	27.5	3	11	2.5	44
2020	28.0	3	11	3.0	45
2019	29.0	2	11	3.0	45
2018	29.0	2	11	3.0	45
2017	28.0	3	11	4.0	46
2016	27.0	3	10	4.0	44

Source: District's records