



# **Duckett Creek Sanitary District**

*Fostering Development While Protecting the Environment*

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## **DUCKETT CREEK SEWER DISTRICT OF ST. CHARLES COUNTY, MISSOURI**

### **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEARS ENDED  
DECEMBER 31, 2023 AND 2022**



# **Duckett Creek Sanitary District**

*Fostering Development While Protecting the Environment*

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## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEARS ENDED  
DECEMBER 31, 2023 AND 2022**

**PREPARED BY THE FINANCE DEPARTMENT**

**DUCKETT CREEK SANITARY DISTRICT**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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**INTRODUCTORY SECTION**



# Duckett Creek Sanitary District

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Ph: (636) 441-1244  
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Engineering Fax: (636) 498-8150

May 21, 2024

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, 2023 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 47 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, 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 2023 estimated population in St. Charles County was 416,659 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 1.1%.

The largest commercial customers (by number of gallons billed) of the District are a school district, retirement community and a hospital.

The District operates approximately 712.6 miles of sanitary sewers (collection system) and 47 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 two activated sludge treatment facilities known as conventional treatment plants. One conventional plant operates with a 5 million gallon per day (MGD) capacity and the other operates with a 7 MGD capacity. In addition, the District operates one smaller conventional package plant and three membrane bioreactor (MBR) plants. The package treatment plant is the newest addition to the District's facilities and is located on the bluffs of the Missouri River. A new treatment plant commenced construction in the spring of 2023 to serve 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 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 2022 was \$99,596, 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 March 2024 shows St. Charles County's unemployment rate was 3.1% compared to 3.3% 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 (1,547 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.

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 include 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 for 2023 Include:

<b>Description</b>	<b>Amount</b>
2024 Freightliner	\$ 226,089
2022 John Deere 4WD Loader	161,685
Kuhn SLC 141 Trailer Sludge Spreader	151,700
8" Diesel Pump and Hoses/Fittings	122,711
Fleet Replacements	121,136
2023 RTV-X1100 Mule	22,543
TP2 Oxidation Ditches Replacement	1,826,820
Sommerlin Lift Stn Generator Improvements	54,647
<hr/>	
<b>Construction in Progress</b>	<b>Amount</b>
2024 Freightliner Chassis - Fabricating Into Mechanics Crane	\$ 101,865
TP1 Oxidation Ditches Improvements	209,584
TP4 Plant Construction	12,033,801
TP4 Treatment Plant Engineering Services	761,112
O'Fallon Hills A-1 Lift Station Replacement	77,252
Dardenne Lift Station Upgrade Engineering - Design & Bidding	51,563

## 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 9 years with no change in residential rate. The District delayed the rate increase as long as possible and the ensuing flat rate of \$26.75 per month is projected to remain stable for another nine-year period 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 2024, Sikich CPAs performed an audit of the financial statements. Their opinion for the year ended December 31, 2023 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, 2022. This was the twenty-fifth 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.

**GFOA Distinguished Budget Presentation Award** -- The GFOA has also presented an award of Distinguished Budget Presentation to the District for its annual budget for the fiscal year beginning January 1, 2023. This is the twenty first year the District has received this prestigious award.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we have submitted it to the GFOA to determine its eligibility for another award.

## ACKNOWLEDGEMENTS

The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the dedicated staff of the Administration Department, namely Bridget Knudsen our Accounting Supervisor who returned to the District after an eleven-year hiatus. Bridget has proven a commitment to excellence in preparing for our annual audit this year with the assistance from Sarah Beckmann, our new Administrative Analyst. 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,



Julie O'Guinn

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, 2022

*Christopher P. Morill*

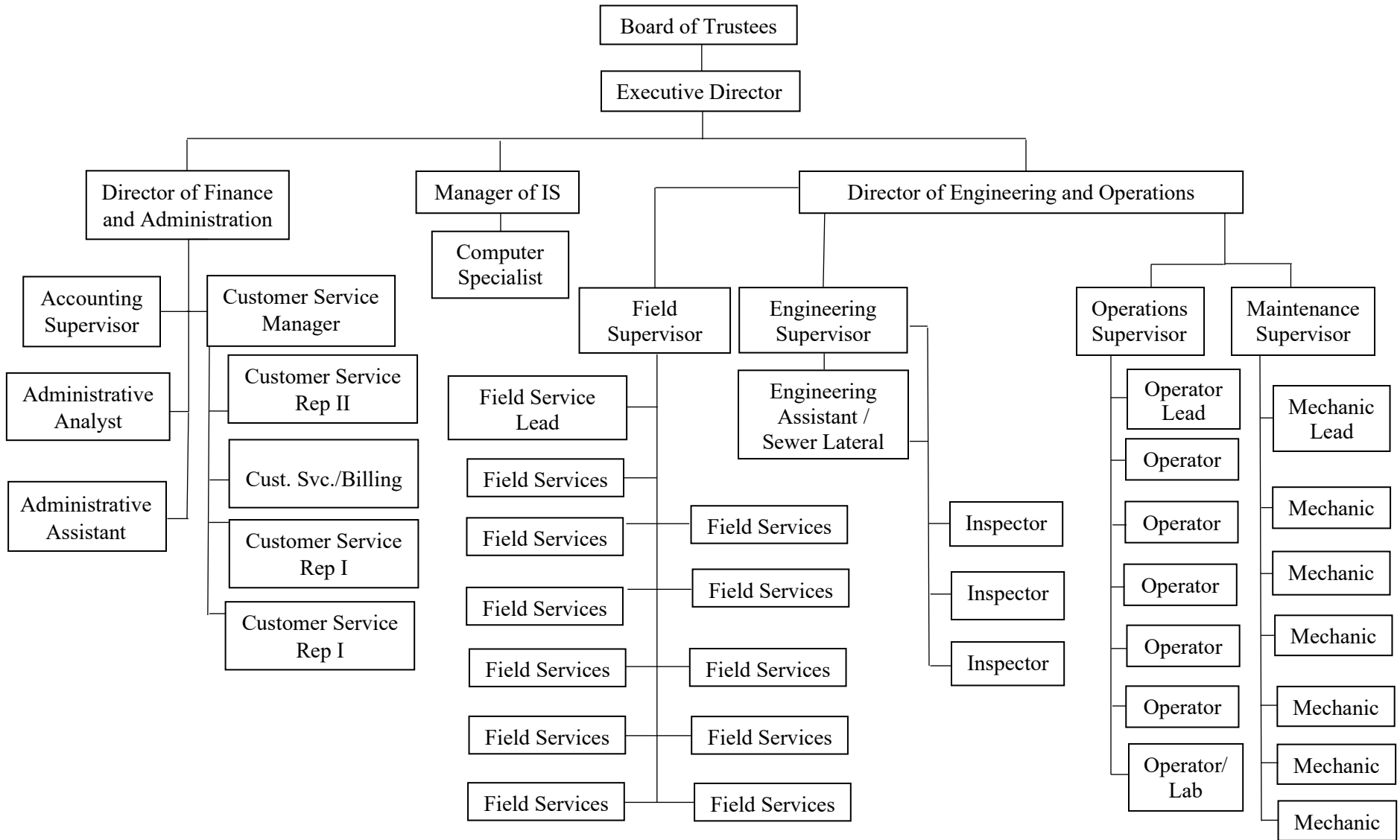
Executive Director/CEO

**DUCKETT CREEK SANITARY DISTRICT**  
**LIST OF DISTRICT OFFICIALS**  
**December 31, 2023**

<b><u>Board Members</u></b>	<b><u>Position</u></b>
Greg Dohrman	Chairperson
Linda Wibbenmeyer	Vice Chairperson
William Rebore	Board Member
Robert W. Schnur	Board Member
John Harshbarger	Board Member
 <b><u>Directors</u></b>	
Keith Arbuckle	Executive Director
Julie O’Guinn	Director of Finance and Administration
Luke Kehoe	Director of Engineering and Operations



# Duckett Creek Sanitary District Organizational Chart



Effective January 1, 2022

**FINANCIAL SECTION**

## 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 year ended December 31, 2023 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, 2023 and the respective changes in financial position and, cash flows thereof for the year 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.

#### *Prior Period Financial Statements*

The financial statements of the District as of December 31, 2022 were audited by Sikich LLP, whose report dated May 11, 2023, expressed an unmodified opinion of those financial statements. Effective as of April 30, 2024, Sikich LLP reorganized and transferred its attest practice to Sikich CPA LLC, a Virginia limited liability company.

## ***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 twelve 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.

### ***Change in Accounting Principle***

The District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended December 31, 2023. The implementation of this guidance resulted in changes to the reporting of right-to-use intangible subscription assets, subscription liabilities and the related notes to the financial statements. Our opinion is not modified with respect to this matter.

### ***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.

***Sieich CPA LLC***

Naperville, IL  
May 21, 2024

# DUCKETT CREEK SANITARY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

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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 year ending December 31, 2023. 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 2023 was \$19,204,308 compared to \$15,234,826 for 2022.
- Operating expenses for 2023 were \$12,614,924 compared to \$11,922,452 in 2022 for the maintenance and operation activities of the systems.
- The District reduced outstanding debt by \$4,301,886 through scheduled debt payments.
- Net position at December 31, 2023 totaled \$144,357,166, which was an increase of \$8,534,694 over December 31, 2022.
- The District implemented GASB Statement No. 96, *Subscription-based Information Technology Arrangement*.

### 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.

Revenue variations compared to the prior year include residential sewer charges which increased 20% due primarily to our rate increase from \$21.75 to \$26.75 per month after a nine-year rate hold. Commercial sewer charges increased by 34% over prior year due primarily to the second of a three-year phased increase on the commercial rate, increasing our rate from \$3.05 (per 1,000 gallons) in 2021 to \$4.40 (per 1,000 gallons) with increases in March of 2022 and 2023. The commercial parity phase continues in 2024 and allows the District's commercial rates to reach parity with our residential rate. Parity of rates are the norm in our industry and our county. Connection fees increased over prior year by 152% or \$848,200 which indicate increased construction activity in our service area for the 2023 year.

Expense variations compared to prior year include budgeted increases in all departments. Expense increases include a 393% increase in sewer line maintenance or \$371,660, which is the result of emergency repair work at the Hwy 364 extension, as well as increases in Professional Engineering Services for the District's Industrial Pretreatment program. Sewer Lateral repairs increased by 14.6% or \$63,710 for residential sewer lateral repair work. Sewer Lateral Miscellaneous expense increased \$20,116 over prior year for fee refunds. Personnel expenses for salaries and benefits increased over prior year 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, greater than normal cost of living which affected salary increases and related pension increases. Pay plan changes were necessary to compete with utility providers in our area who have repetitively recruited away the District's trained staff with higher wages.



**DUCKETT CREEK SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2023**

	December 31			2023 Change	
	2023	2022	2021	Amount	Percent
<b>ASSETS</b>					
Current assets	\$ 26,177,538	24,834,896	22,416,399	1,342,642	5 %
Restricted assets	34,827,407	44,015,205	1,319,341	(9,187,798)	(21)
Lease receivable	564,632	566,348	-	(1,716)	-
Capital assets	143,606,884	127,975,450	123,827,051	15,631,434	12
Total Assets	<u>205,176,461</u>	<u>197,391,899</u>	<u>147,562,791</u>	<u>7,784,562</u>	4
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refunding	44,053	88,105	132,158	(44,052)	(50)
Deferred related to pensions	818,076	617,392	511,063	200,684	33
Total Deferred Outflows Of Resources	<u>862,129</u>	<u>705,497</u>	<u>643,221</u>	<u>156,632</u>	22
<b>LIABILITIES</b>					
Current liabilities	9,470,160	5,600,372	3,646,128	3,869,788	69
Noncurrent liabilities	51,297,433	55,688,809	14,232,770	(4,391,376)	(8)
Total Liabilities	<u>60,767,593</u>	<u>61,289,181</u>	<u>17,878,898</u>	<u>(521,588)</u>	(1)
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred related to pensions	379,539	434,218	627,629	(54,679)	(13)
Deferred related to leases	534,290	551,525	568,760	(17,235)	(3)
	<u>913,829</u>	<u>985,743</u>	<u>1,196,389</u>	<u>(71,914)</u>	(7)
<b>NET POSITION</b>					
Net investment in capital assets	120,634,151	113,286,291	111,070,739	7,347,860	6
Restricted for debt service	3,541,273	3,553,693	2,144,344	(12,420)	-
Unrestricted	20,181,744	18,982,488	15,915,642	1,199,256	6
Total Net Position	<u>\$144,357,168</u>	<u>135,822,472</u>	<u>129,130,725</u>	<u>8,534,696</u>	6 %

**Statements of Net Position**

Current assets increased \$1,342,642 in 2023 compared to 2022 by five percent. Restricted assets decreased \$9,187,800 as the District began to construct the new treatment facility. Lease receivables declined \$1,716 from payments received from cell tower leases. Deferred outflows of resources increased \$156,632 in 2023 compared to 2022 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 2023 compared to 2022 primarily due to increases in construction activities and retainage payable. Noncurrent liabilities decreased \$4,391,376 in 2023 compared to 2022 due to scheduled debt payments. Deferred inflows of resources decreased \$71,914 in 2023 compared to 2022 due to a revised actuarial report for the District's defined pension benefit plan.

**DUCKETT CREEK SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2023**

**Statements of Revenues, Expenses, and Change in Net Position**

	<b>For The Years Ended December 31</b>			<b>2023 Change</b>	
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>Amount</b>	<b>Percent</b>
<b>OPERATING REVENUES</b>					
Sewer charges	\$ 16,989,128	13,870,706	13,528,062	3,118,422	22.5 %
Sewer lateral fees	693,172	687,718	692,119	5,454	1
Connection fees	1,406,462	558,262	1,372,688	848,200	152
Other	115,546	118,140	79,559	(2,594)	(2)
Total Operating Revenues	<u>19,204,308</u>	<u>15,234,826</u>	<u>15,672,428</u>	<u>3,969,482</u>	26
<b>OPERATING EXPENSES</b>	<u>12,614,923</u>	<u>11,922,452</u>	<u>11,332,927</u>	<u>692,471</u>	6
<b>OPERATING INCOME (LOSS)</b>	6,589,385	3,312,374	4,339,501	3,277,011	99
<b>NONOPERATING REVENUE (EXPENSES)</b>	<u>576,594</u>	<u>(723,695)</u>	<u>(275,818)</u>	<u>1,300,289</u>	180
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	7,165,979	2,588,679	4,063,683	4,577,300	177
<b>CAPITAL CONTRIBUTIONS</b>	<u>1,368,717</u>	<u>4,103,068</u>	<u>1,524,976</u>	<u>(2,734,351)</u>	(67)
<b>CHANGE IN NET POSITION</b>	8,534,696	6,691,747	5,588,659	1,842,949	28
<b>NET POSITION, JANUARY 1</b>	<u>135,822,472</u>	<u>129,130,725</u>	<u>123,542,066</u>	<u>6,691,747</u>	5
<b>NET POSITION, DECEMBER 31</b>	<u>\$ 144,357,168</u>	<u>135,822,472</u>	<u>129,130,725</u>	<u>8,534,696</u>	6 %

The District's primary revenue source is program revenue from service activities and connection fees. Beginning in 2008 the District customer growth slowed in the coverage area. As a result, sewer charges flattened out and connection fees decreased significantly as they are also dependent on new customer growth. As a result of the decrease in connection fees and the need to fund the District's capital and maintenance projects, the District needed to increase monthly fees 16% beginning March 1, 2014. Additionally, the District identified a need to increase rates in 2023 starting with commercial rate increases of \$1.00 and \$5.00 per thousand gallons in 2022 and 2023 which improved parity of the commercial rate compared to the residential rate. There was approximately a 22.5% increase in sewer charges in 2023 compared to 2022 and a 2.5% increase in 2022 compared to 2021. The District began the approved sewer lateral program during 2016 collecting revenue of \$693,172 in 2023, \$687,718 in 2022, and \$692,119 in 2021. Capital contributions are down \$2,734,351 (67%) compared to 2022 due to larger than normal number of dedicated projects with escrow and pump stations installed than in 2023.

The total operating expenses increased 6% in 2023 compared to 2022 mainly due to the increase in wages and benefits paid out to employees, see page 5 for further explanation. The total operating expenses decreased 28% in 2022 compared to 2021 mainly due to the increase in repairs and maintenance for the year.

**DUCKETT CREEK SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2023**

**CAPITAL ASSETS**

	December 31		
	2023	2022	2021
Land	\$ 2,158,942	2,158,942	2,158,942
Construction in progress	16,390,211	3,081,166	609,829
Plant systems and building	75,657,913	74,570,293	75,550,551
Infrastructure	46,676,369	46,097,629	43,723,919
Equipment	2,723,449	2,067,420	1,783,810
Total Capital Assets, Net Of Depreciation And Amortization	\$ 143,606,884	127,975,450	123,827,051

**MAJOR CAPITAL ASSET EVENTS FISCAL YEAR 2023**

Major capital purchases and improvements during fiscal year 2023 are as follows:

**Major Capital Improvements and Purchases**

Description	Amount
2024 Freightliner	\$ 226,089
2022 John Deere 4WD Loader	161,685
Kuhn SLC 141 Trailer Sludge Spreader	151,700
8" Diesel Pump and Hoses/Fittings	122,711
Fleet Replacements	121,136
2023 RTV-X1100 Mule	22,543
TP2 Oxidation Ditches Replacement	1,826,820
Sommerlin Lift Stn Generator Improvements	54,647
<b>Construction in Progress</b>	
	<b>Amount</b>
2024 Freightliner Chassis - Fabricating Into Mechanics Crane	\$ 101,865
TP1 Oxidation Ditches Improvements	209,584
TP4 Plant Construction	12,033,801
TP4 Treatment Plant Engineering Services	761,112
O'Fallon Hills A-1 Lift Station Replacement	77,252
Dardenne Lift Station Upgrade Engineering - Design & Bidding	51,563

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

**DEBT ADMINISTRATION**

In the past the District issued revenue bonds to pay for treatment plant construction and upgrades and expansion of the system. The revenue from the sewer system and the reserves established by bond ordinances collateralize the revenue bonds. In 2023, the District made regular principal payments of \$4,291,000. In 2022, the District made regular principal payments of \$2,772,000. The debt issues are discussed in Note E of the notes to the financial statements.

**DUCKETT CREEK SANITARY DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2023**

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**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  
Julie O'Guinn, Director of Finance and Administration  
3550 Highway K  
O'Fallon, MO 63368

**DUCKETT CREEK SANITARY DISTRICT**  
**STATEMENTS OF NET POSITION**

	December 31	
	2023	2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,322,375	1,196,988
Investments	19,497,778	18,981,474
Receivables:		
Accounts receivable	508,527	357,369
Sewer lateral receivable	679,206	676,699
Lease receivable	1,717	1,224
Other receivable	-	45,328
Interest receivable	72,910	21,275
Unbilled revenue	2,478,013	1,982,752
Inventory	1,617,012	1,571,787
	26,177,538	24,834,896
Restricted assets:		
Cash and cash equivalents	33,788,618	43,010,687
Investments	1,035,776	1,003,353
Interest receivable	3,013	1,165
Total Restricted Assets	34,827,407	44,015,205
Total Current Assets	61,004,945	68,850,101
<b>Noncurrent Assets</b>		
Lease receivable	564,632	566,348
Capital assets:		
Land	2,158,942	2,158,942
Construction in progress	16,390,211	3,081,166
Plant systems and building	113,653,389	110,437,620
Infrastructure	63,440,858	62,072,141
Equipment	6,372,038	5,424,396
Total Cost	202,015,438	183,174,265
Less - Accumulated depreciation and amortization	(58,408,554)	(55,198,815)
Total Capital Assets	143,606,884	127,975,450
Total Assets	205,176,461	197,391,899
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	44,053	88,105
Deferred amounts related to pensions	818,076	617,392
Total Deferred Outflows Of Resources	862,129	705,497

**DUCKETT CREEK SANITARY DISTRICT**  
**STATEMENTS OF NET POSITION (Continued)**

	December 31	
	2023	2022
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 4,197,870	514,464
Current maturities of long-term debt	4,517,361	4,292,429
Interest payable	194,941	302,349
Accrued wages and vacation	214,323	206,097
Unearned revenues	305,411	259,348
Payroll withholdings and taxes payable	40,254	25,685
Total Current Liabilities	9,470,160	5,600,372
<b>Noncurrent Liabilities</b>		
Revenue bonds payable	4,586,569	6,925,523
Arbitrage rebate payable	135,912	-
Certification of participation	44,665,000	46,115,000
Purchase agreement payable	2,251,000	2,972,000
Net pension liability	3,885,473	3,733,365
Total OPEB liability	197,096	229,329
Lease payable	9,473	6,021
SBITA payable	84,271	-
Less - Current maturities	(4,517,361)	(4,292,429)
Total Noncurrent Liabilities	51,297,433	55,688,809
Total Liabilities	60,767,593	61,289,181
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred amounts related to pensions	379,539	434,218
Deferred amounts related to leases	534,290	551,525
Total Deferred Outflows Of Resources	913,829	985,743
<b>NET POSITION</b>		
Net investment in capital assets	120,634,151	113,286,291
Restricted for:		
Debt reserve funds	2,335,838	2,335,190
Debt service funds	5,059	135,221
Sewer lateral program	1,200,376	1,083,282
Total Restricted	3,541,273	3,553,693
Unrestricted	20,181,744	18,982,488
Total Net Position	\$ 144,357,168	135,822,472

**DUCKETT CREEK SANITARY DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND**  
**CHANGE IN NET POSITION**

	<b>For The Years</b>	
	<b>Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
<b>OPERATING REVENUES</b>		
Sewer charges	\$ 16,989,128	13,870,706
Sewer lateral fees	693,172	687,718
Connection fees	1,406,462	558,262
Other	115,546	118,140
Total Operating Revenues	19,204,308	15,234,826
<b>OPERATING EXPENSES</b>		
Operating	4,605,119	5,043,759
Engineering	2,872,929	2,098,030
General and administrative	1,927,136	1,643,911
Depreciation and amortization	3,209,739	3,136,752
Total Operating Expenses	12,614,923	11,922,452
<b>OPERATING INCOME</b>	<b>6,589,385</b>	<b>3,312,374</b>
<b>NONOPERATING REVENUE (EXPENSES)</b>		
Investment income	2,793,796	38,577
Interest expense	(2,217,202)	(524,762)
Bond issue costs	-	(237,510)
Total Nonoperating Revenue (Expenses)	576,594	(723,695)
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	<b>7,165,979</b>	<b>2,588,679</b>
<b>CAPITAL CONTRIBUTIONS - UTILITY LINES</b>	<b>1,368,717</b>	<b>4,103,068</b>
<b>CHANGE IN NET POSITION</b>	<b>8,534,696</b>	<b>6,691,747</b>
<b>NET POSITION, JANUARY 1</b>	<b>135,822,472</b>	<b>129,130,725</b>
<b>NET POSITION, DECEMBER 31</b>	<b>\$ 144,357,168</b>	<b>135,822,472</b>

**DUCKETT CREEK SANITARY DISTRICT**  
**STATEMENTS OF CASH FLOWS**

	<b>For The Years</b>	
	<b>Ended December 31</b>	
	<b>2023</b>	<b>2022</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$ 18,515,215	14,915,707
Cash paid to suppliers	(5,803,675)	(6,434,626)
Cash paid to employees	(3,568,660)	(3,238,515)
Other revenue	115,546	118,140
Net Cash Provided By Operating Activities	9,258,426	5,360,706
<b>Cash flows from capital and related financing activities:</b>		
Acquisition and construction of capital assets	(13,831,002)	(3,085,065)
Proceeds from issuance of debt, net of costs	-	45,877,490
Principal paid on debt maturities	(4,301,886)	(2,773,294)
Interest paid on debt	(2,363,600)	(480,284)
Net Cash Provided By (Used In) Capital And Related Financing Activities	(20,496,488)	39,538,847
<b>Cash flows from investing activities:</b>		
Purchases of investments	(7,319,739)	(6,443,455)
Proceeds from sale of investments	6,875,203	3,722,090
Interest received	2,585,916	286,682
Net Cash Used In Investing Activities	2,141,380	(2,434,683)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(9,096,682)	42,464,870
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	44,207,675	1,742,805
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	\$ 35,110,993	44,207,675



**DUCKETT CREEK SANITARY DISTRICT**  
**STATEMENTS OF CASH FLOWS (Continued)**

	For The Years	
	Ended December 31	
	2023	2022
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>Cash flows from operating activities:</b>		
Operating income	\$ 6,589,385	3,312,374
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	3,209,739	3,136,752
(Increase) decrease in:		
Accounts and sewer lateral receivable, and unbilled revenue and unbilled revenue	(621,326)	78,379
Inventory	(45,225)	(524,474)
Deferred outflows of resources related to pensions	(200,684)	(106,329)
Increase (decrease) in:		
Accounts payable	192,483	(212,735)
Accrued wages and vacation	8,226	16,063
Unearned revenue	46,063	35,770
Payroll withholdings and taxes payable	14,569	(28,077)
Net pension liability	152,108	18,269
Total OPEB liability	(32,233)	(171,875)
Deferred inflow amounts related to pensions	(54,679)	(193,411)
Total Adjustments	2,669,041	2,048,332
Net Cash Provided By Operating Activities	\$ 9,258,426	5,360,706
Supplemental disclosure of cash flow information:		
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	\$ 1,322,375	1,196,988
Restricted cash and cash equivalents	33,788,618	43,010,687
Total Cash And Cash Equivalents, December 31	\$ 35,110,993	44,207,675
Noncash investing, capital, and financing activities:		
Contributed capital assets	\$ 1,368,717	4,103,068
Gain (loss) on fair value of investments	\$ 154,399	(262,257)
Capital assets payable at year-end	\$ 3,709,029	218,109
Capital assets acquired by lease and SBITA	\$ 92,753	7,315
Debt financing:		
Par value of debt issued	\$ -	46,115,000
Cost of issuance	-	(237,510)
Total Debt Financing, December 31	\$ -	45,877,490

See notes to financial statements

# DUCKETT CREEK SANITARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Duckett Creek Sewer District of St. Charles County, Missouri (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.

#### 1. 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.

#### 2. 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.

#### 3. 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.

# DUCKETT CREEK SANITARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3. Measurement Focus and Basis of Accounting (Continued)

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 nonoperating 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 tap 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.

#### 4. 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.

#### 5. 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.

#### 6. 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.

#### 7. Accounts Receivable

The District is a grantor of credit to water and 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 3.5% per month for balances over 30 days past due.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**8. 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

Intangible assets represent the District's right-to-use leased 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, 2023 and 2022, amounted to \$3,209,739 and \$3,136,752, respectively.

**9. 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, 2023 and 2022 amounted to \$218,954 and \$218,947, respectively.

**10. 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, 2023 and 2022 amounted to \$44,052 each year.

**11. 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

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**11. Deferred Outflows/Inflows of Resources (Continued)**

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.

**12. Compensated Absences**

The District permits employees to accumulate earned but unused vacation. Vacation pay is accrued when earned and reported as a liability. All accrued vacation must be used in the subsequent year.

**13. Inventories**

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

**14. 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 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.

**15. 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.

**16. 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.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**17. Reclassifications**

Certain prior year amounts have been reclassified for consistency with the current year presentation.

**NOTE B - CASH AND INVESTMENTS**

**1. 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.

**2. Investments**

As of December 31, 2023, the District had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>			<u>Credit Risk</u>	
		<u>Less Than 1 Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>		<u>More Than 10 Years</u>
U.S. Government agency securities	\$ 3,190,652	1,248,456	1,942,196	-	-	AAA
Certificates of deposit	5,599,000	3,124,000	2,475,000	-	-	N/A
MOSIP	11,743,902	11,743,902	-	-	-	AAA
Grand Total Investments	<u>\$ 20,533,554</u>	<u>16,116,358</u>	<u>4,417,196</u>	<u>-</u>	<u>-</u>	

As of December 31, 2022, the District had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>			<u>Credit Risk</u>	
		<u>Less Than 1 Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>		<u>More Than 10 Years</u>
U.S. Government agency securities	\$ 4,812,080	1,437,471	3,374,609	-	-	AAA
Certificates of deposit	6,377,000	4,682,000	1,695,000	-	-	N/A
MOSIP	8,795,747	8,795,747	-	-	-	AAA
Grand Total Investments	<u>\$ 19,984,827</u>	<u>14,915,218</u>	<u>5,069,609</u>	<u>-</u>	<u>-</u>	

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments (Continued)**

**Investment Policies**

The District's formal investment policies are as follows:

**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 5 years.

**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 approved 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).

**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.

**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**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**3. 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.

As of December 31, 2023, the District has the following recurring fair value measurements:

	<b>December 31, 2023</b>			
	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investments by fair value level:				
U.S. Government agency securities	\$ 3,190,652	-	3,190,652	-
Negotiable certificates of deposit	5,599,000	-	5,599,000	-
Total Investments By Fair Value Level	8,789,652	-	8,789,652	-
Investments measured at the net asset value:				
MOSIP	11,743,902			
Money market mutual funds	33,788,618			
Total Investments	<u>\$ 54,322,172</u>			

As of December 31, 2022, the District has the following recurring fair value measurements:

	<b>December 31, 2022</b>			
	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Investments by fair value level:				
U.S. Government agency securities	\$ 4,812,080	-	4,812,080	-
Negotiable certificates of deposit	6,377,000	-	6,377,000	-
Total Investments By Fair Value Level	11,189,080	-	11,189,080	-
Investments measured at the net asset value:				
MOSIP	8,795,747			
Money market mutual funds	43,000,099			
Total Investments	<u>\$ 62,984,926</u>			



**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - RESTRICTED ASSETS**

Restricted cash, cash equivalents, and investments consist of the following:

	<b>December 31</b>	
	<b>2023</b>	<b>2022</b>
Debt reserve funds	\$ 2,335,838	2,335,190
Debt service funds	200,000	437,570
Construction funds	32,288,556	41,241,280
Total	<b>\$ 34,824,394</b>	<b>44,014,040</b>

**NOTE D - CAPITAL ASSETS**

Capital asset activity was as follows:

	<b>For The Year Ended December 31, 2023</b>			
	<b>Balance</b>			<b>Balance</b>
	<b>December 31</b>	<b>Increases</b>	<b>Decreases</b>	<b>December 31</b>
	<b>2022</b>		<b>2023</b>	
Capital assets not being depreciated:				
Land	\$ 2,158,942	-	-	2,158,942
Construction in progress	3,081,166	13,349,873	40,828	16,390,211
Total Capital Assets Not Being Depreciated	5,240,108	13,349,873	40,828	18,549,153
Capital assets being depreciated:				
Plant systems and building	110,437,620	3,259,069	43,300	113,653,389
Infrastructure	62,072,141	1,368,717	-	63,440,858
Equipment	5,417,081	849,033	-	6,266,114
Total Capital Assets Being Depreciated	177,926,842	5,476,819	43,300	183,360,361
Intangible assets being amortized:				
Leased assets - equipment	7,315	5,856	-	13,171
Subscription-based assets	-	92,753	-	92,753
Total Intangible Capital Assets Being Amortized	7,315	98,609	-	105,924
Less - Accumulated depreciation for:				
Plant systems and building	35,867,327	2,128,149	-	37,995,476
Infrastructure	15,974,512	789,977	-	16,764,489
Equipment	3,355,674	280,590	-	3,636,264
Total Accumulated Depreciation	55,197,513	3,198,716	-	58,396,229
Less - Accumulated amortization for:				
Leased assets - equipment	1,302	2,512	-	3,814
Subscription-based assets	-	8,511	-	8,511
Total Accumulated Amortization	1,302	11,023	-	12,325
Total Capital Assets Being Depreciated And Amortized, Net	122,735,342	2,365,689	43,300	125,057,731
Total Capital Assets, Net	<b>\$ 127,975,450</b>	<b>15,715,562</b>	<b>84,128</b>	<b>143,606,884</b>

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - CAPITAL ASSETS (Continued)**

	<b>For The Year Ended December 31, 2022</b>			
	<b>Balance December 31 2021</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance December 31 2022</b>
Capital assets not being depreciated:				
Land	\$ 2,158,942	-	-	2,158,942
Construction in progress	609,829	2,471,337	-	3,081,166
Total Capital Assets Not Being Depreciated	<u>2,768,771</u>	<u>2,471,337</u>	<u>-</u>	<u>5,240,108</u>
Capital assets being depreciated:				
Plant systems and building	109,280,269	1,157,351	-	110,437,620
Infrastructure	58,949,545	3,122,596	-	62,072,141
Equipment	4,890,529	526,552	-	5,417,081
Total Capital Assets Being Depreciated	<u>173,120,343</u>	<u>4,806,499</u>	<u>-</u>	<u>177,926,842</u>
Intangible assets being amortized:				
Leased assets -equipment	-	7,315	-	7,315
Less - Accumulated depreciation for:				
Plant systems and building	33,729,718	2,137,609	-	35,867,327
Infrastructure	15,225,626	748,886	-	15,974,512
Equipment	3,106,719	248,955	-	3,355,674
Total Accumulated Depreciation	<u>52,062,063</u>	<u>3,135,450</u>	<u>-</u>	<u>55,197,513</u>
Less - Accumulated amortization for:				
Leased assets - equipment	-	1,302	-	1,302
Total Capital Assets Being Depreciated Amortized, Net	<u>121,058,280</u>	<u>1,677,062</u>	<u>-</u>	<u>122,735,342</u>
Total Capital Assets, Net	<u>\$ 123,827,051</u>	<u>4,148,399</u>	<u>-</u>	<u>127,975,450</u>

**NOTE E - 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, 2023 is as follows:

- Series 2002A sewerage system revenue bonds as a part of the State Environmental Improvement and Energy Resources Authority Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) for the purpose of construction of a treatment plant, sewer lines and a pump station. In general, the bonds are payable from a pledge of net revenues as determined by the bond agreements. These bonds were paid off in 2023.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - LONG-TERM DEBT (Continued)**

- 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.
- 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.
- 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 revenue bonds, private placement debt and certificates of participation are as follows:

<u>Date Of Issue</u>	<u>Series</u>	<u>Original Principal</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
04/07/2015	2015	14,140,000	2.0 - 5.0	12/01/2025
11/23/2016	2016	7,063,000	2.0	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.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - LONG-TERM DEBT (Continued)**

A summary of changes in long-term debt is as follows:

	<b>For The Year Ended December 31, 2023</b>			<b>Balance December 31 2023</b>	<b>Amounts Due Within One Year</b>
	<b>Balance December 31 2022</b>	<b>Additions</b>	<b>Deletions</b>		
	<b>Sewerage System</b>				
Revenue bonds:					
Series 2002A	\$ 255,000	-	255,000	-	-
Series 2015	6,235,000	-	1,865,000	4,370,000	2,160,000
Private placement debt:					
2016 Purchase					
agreement	2,972,000	-	721,000	2,251,000	735,000
2022 COPS	46,115,000	-	1,450,000	44,665,000	1,595,000
Lease	6,021	5,856	2,404	9,473	2,552
SBITA payable	-	92,753	8,482	84,271	24,809
Premium	435,523	-	218,954	216,569	-
Total	<u>\$ 56,018,544</u>	<u>98,609</u>	<u>4,520,840</u>	<u>51,596,313</u>	<u>4,517,361</u>

	<b>For The Year Ended December 31, 2022</b>			<b>Balance December 31 2022</b>	<b>Amounts Due Within One Year</b>
	<b>Balance December 31 2021</b>	<b>Additions</b>	<b>Deletions</b>		
	<b>Sewerage System</b>				
Revenue bonds:					
Series 2002A	\$ 505,000	-	250,000	255,000	255,000
Series 2015	8,050,000	-	1,815,000	6,235,000	1,865,000
Private placement debt:					
2016 Purchase					
agreement	3,679,000	-	707,000	2,972,000	721,000
2022 COPS	-	46,115,000	-	46,115,000	1,450,000
Lease	-	7,315	1,294	6,021	1,429
Premium	654,470	-	218,947	435,523	-
Total	<u>\$ 12,888,470</u>	<u>46,122,315</u>	<u>2,992,241</u>	<u>56,018,544</u>	<u>4,292,429</u>

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - LONG-TERM DEBT (Continued)**

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

For The Years Ending December 31	Revenue Bonds		Private Placement Debt			
	Principal	Interest	Purchase Agreement		COPS	
			Principal	Interest	Principal	Interest
2024	\$ 2,160,000	218,500	735,000	45,770	1,595,000	1,844,665
2025	2,210,000	110,500	750,000	30,741	1,660,000	1,778,791
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 - 2033	-	-	-	-	10,595,000	6,595,610
2034 - 2038	-	-	-	-	12,970,000	4,219,208
2039 - 2042	-	-	-	-	12,440,000	1,310,243
Total	<u>\$ 4,370,000</u>	<u>329,000</u>	<u>2,251,000</u>	<u>92,044</u>	<u>44,665,000</u>	<u>20,661,978</u>

For The Years Ending December 31	Lease		SBITA Payable	
	Principal	Interest	Principal	Interest
2025	2,643	619	26,410	919
2026	2,739	364	20,975	403
2027	1,420	347	12,077	111
2028	119	111	-	-
Total	<u>\$ 9,473</u>	<u>2,303</u>	<u>\$ 84,271</u>	<u>2,865</u>

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 2023, the debt service coverage was 185%.

**NOTE F - 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**

**NOTE G - DEFINED BENEFIT PENSION PLAN**

***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 the Missouri Local Government Employees Retirement System (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](http://www.molagers.org).

***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 5 years of credited service. Employees who retire on or after age 60 with 5 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 5 years of credited service and after attaining age 55 and receive a reduced allowance.

**2023 And 2022 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.

***Employees Covered by Benefit Terms***

The following employees were covered by the benefit terms:

	<b>June 30</b>	
	<b>2023</b>	<b>2022</b>
Inactive employees or beneficiaries currently receiving benefits	4	3
Inactive employees entitled to but not yet receiving benefits	1	-
Active employees	41	42
Total	<u>46</u>	<u>45</u>

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

*Disclosures as of December 31, 2023*

*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 rates are 15.5% of annual covered payroll.

*Net Pension Liability (Asset)*

The District's net pension liability (asset) was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2023. The roll forward of total pension liability from February 28, 2023 to June 30, 2023 reflects expected service cost and interest reduced by actual benefit payments.

*Actuarial Assumptions*

The total pension liability in the February 28, 2023 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 28, 2023 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 in the following table:

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-term Expected Real Rate Of Return</u>
Alpha	15.00%	3.67%
Equity	35.00	4.78
Fixed income	31.00	1.41
Real assets	36.00	3.29
Strategic assets	8.00	5.25
Cash/leverage	(25.00)	(0.29)

*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)*

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a)-(b)</u>
<b>Balances at June 30, 2022</b>	<u>\$ 6,029,329</u>	<u>2,295,964</u>	<u>3,733,365</u>
<b>Changes for the year</b>			
Service cost	300,845	-	300,845
Interest	427,698	-	427,698
Difference between expected and actual experience	147,746	-	147,746
Benefit payments, including refunds	(136,795)	-	(136,795)
Contributions - employer	-	482,395	(482,395)
Contributions - employee	-	128,464	(128,464)
Net investment income	-	95,563	(95,563)
Benefit payments, including refunds	-	(136,795)	136,795
Administrative expense	-	(7,615)	7,615
Other changes	-	25,374	(25,374)
Net Changes	<u>739,494</u>	<u>587,386</u>	<u>152,108</u>
<b>Balances at June 30, 2023</b>	<u>\$ 6,768,823</u>	<u>2,883,350</u>	<u>3,885,473</u>

The funded status of the Plan at June 30, 2023 was 42.60%.



**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate*

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

	<b>1% Decrease</b>	<b>Current Single Discount Rate Assumption</b>	<b>1% Increase</b>
Net pension liability (asset)	\$ 4,900,910	3,885,473	3,042,002

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

For the year ended December 31, 2023, the District recognized pension expense of \$422,048. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	<b>Outflows</b>	<b>Inflows</b>	<b>Net Outflows</b>
Differences in experience	\$ 480,044	(73,887)	406,157
Assumptions changes	-	(305,652)	(305,652)
Net difference between projected and actual earnings on pension plan investments	74,391	-	74,391
Contributions subsequent to the measurement date*	263,641	-	263,641
Total	\$ 818,076	(379,539)	438,537

\*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:

<b>For The Years Ending December 31</b>		
2024		\$ 17,370
2025		13,610
2026		51,111
2027		24,456
2028		8,039
Thereafter		60,310
Total		\$ 174,896

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

*Payable to the Pension Plan*

At December 31, 2023 the District reported a payable of \$40,014 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2023.

***Disclosures as of December 31, 2022***

*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 rates are 14.5% of annual covered payroll.

*Net Pension Liability (Asset)*

The District's net pension liability (asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2022. The roll forward of total pension liability from February 28, 2022 to June 30, 2022 reflects expected service cost and interest reduced by actual benefit payments.

*Actuarial Assumptions*

The total pension liability in the February 28, 2022 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.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

The actuarial assumptions used in the February 28, 2022 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 in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-term Expected Real Rate Of Return</u>
Alpha	15.00%	3.67%
Equity	35.00	4.78
Fixed income	31.00	1.41
Real assets	36.00	3.29
Strategic assets	8.00	5.25
Cash/leverage	(25.00)	(0.29)

*Discount Rate*

The discount rate used to measure the total pension liability is 7.00%. 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**

**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

*Changes in the Net Pension Liability (Asset)*

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a)-(b)</b>
<b>Balances at June 30, 2021</b>	\$ 5,324,075	1,608,979	3,715,096
<b>Changes for the year</b>			
Service cost	308,215	-	308,215
Interest	379,124	-	379,124
Difference between expected and actual experience	138,995	-	138,995
Benefit payments, including refunds	(121,080)	-	(121,080)
Contributions - employer	-	430,399	(430,399)
Contributions - employee	-	161,014	(161,014)
Net investment income	-	2,874	(2,874)
Benefit payments, including refunds	-	(121,080)	121,080
Administrative expense	-	(4,754)	4,754
Other changes	-	218,532	(218,532)
Net Changes	<u>705,254</u>	<u>686,985</u>	<u>18,269</u>
<b>Balances at June 30, 2022</b>	<u>\$ 6,029,329</u>	<u>2,295,964</u>	<u>3,733,365</u>

The funded status of the Plan at June 30, 2022 was 38.08%.

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate*

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

	<b>Current Single Discount Rate</b>		
	<b>1% Decrease</b>	<b>Assumption</b>	<b>1% Increase</b>
Net pension liability (asset)	<u>\$ 4,651,012</u>	<u>3,733,365</u>	<u>2,972,067</u>

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - DEFINED BENEFIT PENSION PLAN (Continued)**

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

For the year ended December 31, 2022, the District recognized pension expense of (\$268,567). Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	<b>Outflows</b>	<b>Inflows</b>	<b>Net Outflows</b>
Differences in experience	\$ 395,016	(85,880)	309,136
Assumptions changes	-	(348,338)	(348,338)
Net difference between projected and actual earnings on pension plan investments	1,645	-	1,645
Contributions subsequent to the measurement date*	220,731	-	220,731
Total	<u>\$ 617,392</u>	<u>(434,218)</u>	<u>183,174</u>

\*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**

2023	\$ (14,550)
2024	(14,550)
2025	(18,310)
2026	19,191
2027	(7,466)
Thereafter	(1,872)
Total	<u>\$ (37,557)</u>

*Payable to the Pension Plan*

At December 31, 2022, the District reported a payable of \$33,447 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2022.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**

***Plan Description***

The District's 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.

***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 5 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.

***Employees Covered by Benefit Terms***

The following employees were covered by the benefit terms:

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
Inactive employees or beneficiaries currently receiving benefits	3	3
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	<u>47</u>	<u>47</u>
Total	<u>50</u>	<u>50</u>

***Disclosures as of December 31, 2023***

***Total OPEB Liability***

The District's total OPEB liability was measured as of December 31, 2023, and was determined by an actuarial valuation as of December 31, 2023.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**  
**(Continued)**

*Actuarial Assumptions and Other Inputs*

The total OPEB liability in the December 31, 2023 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% (previously 3.71%)
Healthcare cost trend rates	4.2% to 4.8%, initial 4.2%

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 10 years. The actuarial assumptions used in the December 31, 2023 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*

	<b>Total OPEB Liability</b>
<b>Balances at December 31, 2022</b>	<u>\$ 229,329</u>
<b>Changes for the year</b>	
Service cost	8,923
Interest	8,708
Assumption changes	(5,895)
Employer contributions	(7,125)
Other changes	<u>(36,844)</u>
Net Changes	<u>(32,233)</u>
<b>Balances at December 31, 2023</b>	<u><u>\$ 197,096</u></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 4.00%, 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 (3.00%) or 1% point higher (5.00%) than the current discount rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Total OPEB liability	<u>\$ 210,531</u>	<u>197,096</u>	<u>178,775</u>

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**  
**(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 4.8% to 4.2%, 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 (3.8% to 3.2%) or 1% point higher (5.8% to 5.2%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 174,195	197,096	224,549

*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 (\$25,108). 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.

***Disclosures as of December 31, 2022***

*Total OPEB Liability*

The District's total OPEB liability was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2022.

*Actuarial Assumptions and Other Inputs*

The total OPEB liability in the December 31, 2022 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	3.71% (previously 1.3%)
Healthcare cost trend rates	4.2% to 4.8%, initial 4.2%, ultimate (previously 4.4% to 4.9%, initial 4.3%, ultimate)

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 10 years. The actuarial assumptions used in the December 31, 2022 valuation are based on 50% participation assumed.



**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**  
**(Continued)**

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

*Changes in the Total OPEB Liability*

	<b>Total OPEB Liability</b>
<b>Balances at December 31, 2021</b>	\$ 401,204
<b>Changes for the year</b>	
Service cost	19,099
Interest	6,258
Assumption changes	(52,823)
Employer contributions	(6,175)
Other changes	(138,234)
Net Changes	(171,875)
<b>Balances at December 31, 2022</b>	\$ 229,329

*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 3.71%, 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 (2.71%) or 1% point higher (4.71%) than the current discount rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 250,686	229,329	211,219

*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 4.8% to 4.2%, 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 (3.8% to 3.2%) or 1% point higher (5.8% to 5.2%) than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Current Healthcare Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 208,557	229,329	254,106

# DUCKETT CREEK SANITARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE H - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)

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

For the year ended December 31, 2022, the District recognized OPEB expense of \$165,700. 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.

### NOTE I - 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, 2023 and 2022, the District collected \$18,250 and 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 \$566,349 and \$534,290, respectively, as of December 31, 2023. The remaining lease receivable and offsetting deferred inflow of resource for this agreement are \$567,572 and \$551,525, respectively, as of December 31, 2022.

### NOTE J - NEW PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the District. The Statement which might impact the District is as follows:

- GASB Statement No. 99, *Omnibus 2022*, addresses a variety of topics including: Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives; Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to: a) the determination of the public-private and public-public partnership (PPP) term and b) recognition and measurement of installment payments and the transfer of the underlying PPP asset; clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability; extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP); disclosures related to non-monetary transactions; pledges of future revenues when resources are not received by the pledging government; clarification of provisions in Statement No. 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments*, as amended, related to the

# DUCKETT CREEK SANITARY DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE J - NEW PRONOUNCEMENTS (Continued)

focus of the government-wide financial statements; terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and terminology used in Statement 53 to refer to resource flows statements. This statement is effective upon issuance for requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63. The effective date for the requirements related to leases, PPPs, and SBITAs was for the fiscal year ended December 31, 2023. The effective date for the requirement related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 is the fiscal year ending December 31, 2024.

- GASB Statement No. 100, *Accounting Changes and Error Corrections--an amendment of GASB Statement No. 62*, enhances accounting and financial reporting requirement for accounting changes and error corrections. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. This Statement requires that: a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). This Statement is effective for the fiscal year ending December 31, 2024.
  
- GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for: 1) leave that has not been used and 2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if: a) the leave is attributable to services already rendered, b) the leave accumulates, and c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences--including parental leave, military leave, and jury duty leave--not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as it is identified as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. This Statement is effective for the fiscal year ending December 31, 2024.

**DUCKETT CREEK SANITARY DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE J - NEW PRONOUNCEMENTS (Continued)**

- GASB Statement No. 102, Certain Risk Disclosures, establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This Statement is effective for the fiscal year ending December 31, 2025.

**REQUIRED SUPPLEMENTARY SECTION**

**DUCKETT CREEK SANITARY DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGE**  
**IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**FOR THE YEARS ENDED DECEMBER 31**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Total Pension Liability</b>				
Service cost	\$ 300,845	308,215	352,194	117,943
Interest on the total pension liability	427,698	379,124	332,105	3,916
Changes of benefit terms	-	-	-	4,756,250
Differences between expected and actual experience	147,746	138,995	336,336	(121,859)
Changes of assumptions	-	-	(433,710)	-
Benefit payments, including refunds	(136,795)	(121,080)	(19,100)	-
Net Change In Total Pension Liability	<u>739,494</u>	<u>705,254</u>	<u>567,825</u>	<u>4,756,250</u>
Total Pension Liability Beginning	<u>6,029,329</u>	<u>5,324,075</u>	<u>4,756,250</u>	<u>-</u>
Total Pension Liability Ending (a)	<u>\$ 6,768,823</u>	<u>6,029,329</u>	<u>5,324,075</u>	<u>4,756,250</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 482,395	430,399	429,341	415,014
Contributions - employee	128,464	161,014	278,538	233,573
Net investment income	95,563	2,874	259,755	4,381
Benefit payments, including refunds	(136,795)	(121,080)	(19,100)	-
Administrative expense	(7,615)	(4,754)	(4,527)	(5,788)
Other	25,374	218,532	9,459	8,333
Net Change In Plan Fiduciary Net Position	<u>587,386</u>	<u>686,985</u>	<u>953,466</u>	<u>655,513</u>
Plan Fiduciary Net Position Beginning	<u>2,295,964</u>	<u>1,608,979</u>	<u>655,513</u>	<u>-</u>
Plan Fiduciary Net Position Ending (b)	<u>\$ 2,883,350</u>	<u>2,295,964</u>	<u>1,608,979</u>	<u>655,513</u>
<b>Net Pension Liability (Asset) Ending (a)-(b)</b>	<u>\$ 3,885,473</u>	<u>3,733,365</u>	<u>3,715,096</u>	<u>4,100,737</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.60 %	38.08	30.22	13.78
Covered Payroll	\$ 3,091,039	2,890,829	3,079,994	3,080,057
Net Pension Liability (Asset) as a Percentage of Covered Payroll	125.70 %	129.15	120.62	133.14

Notes:

Information is not applicable for fiscal years prior to 2020.

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

Additional years' information will be displayed as it becomes available, up to 10 years.

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

**DUCKETT CREEK SANITARY DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS**  
**LAST FIVE FISCAL YEARS**

	For The Years				
	Ended December 31				
	2023	2022	2021	2020	2019
Actuarially determined pension contribution	\$ 522,718	445,888	431,761	416,548	203,875
Contributions in relation to the actuarially determined contribution	522,718	445,888	431,761	416,548	203,875
Contribution Deficiency	\$ -	-	-	-	-
Covered Payroll	\$ 3,372,376	3,069,919	3,106,194	3,155,843	1,544,508
Contributions as a Percentage of Covered Payroll	15.50 %	14.52	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  
 Amortization method

Entry age normal and modified terminal funding  
 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  
 Asset valuation method  
 Inflation  
 Salary increases  
 Investment rate of return  
 Retirement age  
 Mortality

Multiple bases from 12 to 26 years  
 5 years smoothed market; 20% corridor  
 2.75% wage inflation; 2.25% price inflation  
 2.75% to 6.75%, including wage inflation  
 7.00% net of investment expenses

Experience-based table of rates that are specific to the type of eligibility condition  
 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.

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.  
 Additional years' information will be displayed as it becomes available, up to 10 years.

**DUCKETT CREEK SANITARY DISTRICT**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGE**  
**IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**FOR THE YEARS ENDED DECEMBER 31**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 8,923	19,099	17,601	14,800
Interest	8,708	6,258	4,509	9,881
Change of benefit terms	-	-	-	343,875
Assumption changes	(5,895)	(52,823)	(6,091)	-
Employer contributions	(7,125)	(6,175)	(1,472)	-
Other changes	(36,844)	(138,234)	18,101	-
Net Change In Total OPEB Liability	(32,233)	(171,875)	32,648	368,556
Total OPEB Liability Beginning	229,329	401,204	368,556	-
Total OPEB Liability Ending	<u>\$ 197,096</u>	<u>229,329</u>	<u>401,204</u>	<u>368,556</u>
Covered Employee Payroll (for December 31 Valuation)	\$ 3,372,376	3,069,919	3,090,473	3,087,886
Total OPEB Liability as a Percentage of Covered Employee Payroll	5.84 %	7.47	12.98	11.94

Notes:

Information is not available for fiscal years prior to 2020. Additional years' information will be displayed as it becomes available, up to 10 years

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 3.70% to 4.0%



**STATISTICAL SECTION**

# DUCKETT CREEK SANITARY DISTRICT

## STATISTICAL SECTION OVERVIEW

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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.

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.	48 - 52
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District’s most significant local revenue source, water billings.	53 - 56
<b>Debt Capacity</b> 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.	57 - 58
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.	59 - 60
<b>Operating Information</b> 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.	61 - 62

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**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Wages	\$ 3,576,886	3,254,578	3,215,080	3,212,018	3,156,216	3,002,831	2,901,121	2,671,964	2,696,821	2,609,933
Benefits*	1,401,847	884,363	1,180,343	5,790,806	951,579	1,005,003	1,067,203	973,434	927,288	864,811
Utilities	1,264,496	1,222,082	1,215,936	1,169,590	1,114,578	1,165,301	1,144,905	1,151,943	1,208,843	1,178,408
Repair/maintenance	1,642,852	1,936,650	1,434,931	1,425,254	1,407,810	1,537,119	798,763	537,204	495,083	1,214,114
Supplies	378,160	428,239	359,425	332,036	332,123	338,697	282,383	414,991	408,511	397,239
Treatment supplies	64,258	50,957	48,734	53,034	40,380	46,982	48,506	46,263	41,328	38,506
Insurance	167,739	164,017	167,849	177,803	172,671	166,934	175,720	168,768	166,963	161,346
Vehicle expense	271,715	281,953	213,276	183,888	194,508	202,843	182,366	160,588	165,948	218,987
Fees on bonds	2,819	9,968	4,965	6,655	8,171	10,406	10,223	50,505	40,321	54,373
Contractual services	457,439	405,439	369,154	305,365	313,379	329,704	400,860	367,406	380,479	358,310
Other	176,973	147,454	109,920	123,252	150,488	135,125	145,910	197,869	151,254	129,486
Depreciation	3,209,739	3,136,752	3,013,314	2,948,189	2,886,748	2,248,113	2,202,684	2,156,208	2,123,985	2,069,046
<b>Total</b>	<u>\$ 12,614,923</u>	<u>11,922,452</u>	<u>11,332,927</u>	<u>15,727,890</u>	<u>10,728,651</u>	<u>10,189,058</u>	<u>9,360,644</u>	<u>8,897,143</u>	<u>8,806,824</u>	<u>9,294,559</u>

\*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**  
**FOR THE LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES</b>										
Sewer charges	\$ 16,989,128	13,870,706	13,528,062	13,063,579	13,260,001	13,083,480	13,031,281	12,773,760	12,449,577	12,136,962
Sewer lateral fees	693,172	687,718	692,119	683,202	668,898	679,206	672,343	655,832	-	-
Connection fees	1,406,462	558,262	1,372,688	1,293,600	500,216	638,400	751,805	525,118	344,772	760,500
Other	115,546	118,140	79,599	181,388	107,248	90,001	70,952	120,244	49,279	65,165
Total Operating Revenues	<u>19,204,308</u>	<u>15,234,826</u>	<u>15,672,468</u>	<u>15,221,769</u>	<u>14,536,363</u>	<u>14,491,087</u>	<u>14,526,381</u>	<u>14,074,954</u>	<u>12,843,628</u>	<u>12,962,627</u>
<b>OPERATING EXPENSES</b>										
Operating	4,605,119	5,043,759	4,551,999	6,048,122	4,159,737	4,190,829	3,345,601	3,447,814	3,401,515	3,474,786
Engineering	2,872,929	2,098,030	2,115,414	4,007,773	2,223,894	2,306,197	2,263,227	1,760,325	1,818,813	2,314,785
General and administrative	1,927,136	1,643,911	1,655,200	2,723,806	1,458,272	1,443,919	1,549,132	1,532,796	1,462,511	1,435,942
Depreciation	3,209,739	3,136,752	3,013,314	2,948,189	2,886,748	2,248,113	2,202,684	2,156,208	2,123,985	2,069,046
Total Operating Expenses	<u>12,614,923</u>	<u>11,922,452</u>	<u>11,335,927</u>	<u>15,727,890</u>	<u>10,728,651</u>	<u>10,189,058</u>	<u>9,360,644</u>	<u>8,897,143</u>	<u>8,806,824</u>	<u>9,294,559</u>
<b>NET OPERATING INCOME (LOSS)</b>	<u>\$ 6,589,385</u>	<u>3,312,374</u>	<u>4,336,541</u>	<u>(506,121)</u>	<u>3,807,712</u>	<u>4,302,029</u>	<u>5,165,737</u>	<u>5,177,811</u>	<u>4,036,804</u>	<u>3,668,068</u>

**DUCKETT CREEK SANITARY DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net investment in capital assets	\$ 120,634,151	113,286,291	111,070,739	107,033,309	103,306,994	101,190,473	97,551,590	91,423,619	88,617,093	85,096,812
Restricted	3,541,273	3,553,693	2,144,344	1,820,967	1,818,443	1,824,244	2,160,198	3,287,232	2,977,562	2,079,995
Unrestricted	20,181,744	18,982,488	15,915,642	14,687,790	17,512,332	15,386,247	13,590,718	13,079,086	10,372,565	10,201,455
 Total Net Position	 <u>\$ 144,357,168</u>	 <u>135,822,472</u>	 <u>129,130,725</u>	 <u>123,542,066</u>	 <u>122,637,769</u>	 <u>118,400,964</u>	 <u>113,302,506</u>	 <u>107,789,937</u>	 <u>101,967,220</u>	 <u>97,378,262</u>

**DUCKETT CREEK SANITARY DISTRICT**  
**CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Operating Revenues</u>	<u>Operating Expenses</u>	<u>Operating Income</u>	<u>Nonoperating Revenue (Expenses)</u>	<u>Income (Loss) Before Capital Contributions And Special Item</u>	<u>Capital Contributions And Special Item</u>	<u>Change In Net Position</u>
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
2015	12,843,628	8,806,824	4,036,804	(321,688)	3,715,116	444,145	4,159,261
2014	12,962,627	9,294,559	3,668,068	(324,254)	3,343,814	666,856	4,010,670

**DUCKETT CREEK SANITARY DISTRICT**  
**NONOPERATING REVENUES (EXPENSES)**  
**LAST TEN FISCAL YEARS**

<b>Year</b>	<b>Interest Expense</b>	<b>Investment Income</b>	<b>Gain (Loss) On Investments</b>	<b>Gain On Disposal Of Capital Assets</b>	<b>Other Income</b>	<b>Debt Issue Costs</b>	<b>Total</b>
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)
2015	(636,769)	558,399	(60,156)	15,634	-	(198,796)	(321,688)
2014	(1,209,199)	632,001	242,027	10,917	-	-	(324,254)

**DUCKETT CREEK SANITARY DISTRICT**  
**SEWER RATES**  
**FOR THE LAST TEN FISCAL YEARS**

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<u>Year</u>	<u>Commercial (1)</u>	<u>Residential (2)</u>
2023	4.40 (5)	26.75 (5)
2022	3.40 (4)	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
2015	3.05	21.75
2014	3.05 (3)	18.75 (3)

- (1) Commercial rate is per thousand gallons of water usage
- (2) Residential rate is monthly
- (3) Increase effective March 1, 2014
- (4) Increase effective March 1, 2022
- (5) Increase effective March 1, 2023



**DUCKETT CREEK SANITARY DISTRICT**  
**NUMBER OF CUSTOMERS**  
**LAST TEN FISCAL YEARS**

<b>Year</b>	<b>Commercial</b>		<b>Residential</b>		<b>Total Customers</b>	
	<b>Number Of Users</b>	<b>Percentage Of System Use</b>	<b>Number Of Users</b>	<b>Percentage Of System Use</b>	<b>Number Of Users</b>	<b>Percentage Of System Use</b>
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	1,223	2.8	42,085	97.2	43,308	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
2015	1,166	2.8	40,157	97.2	41,323	100.0
2014	1,136	2.8	39,644	97.2	40,780	100.0

Source: District's records

**DUCKETT CREEK SANITARY DISTRICT**  
**SYSTEM USAGE, BILLINGS, AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>System Use</u>	<u>Billings</u>	<u>Collections</u>
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
2015	3,627,926,785	12,596,795	12,544,573
2014	3,337,488,744	12,142,719	11,960,250

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**  
**FOR THE YEARS ENDED DECEMBER 31 - CURRENT YEAR AND NINE YEARS AGO**

<b>2023</b>				
<b>Customer</b>	<b>Gallons</b>	<b>Type Of Business</b>	<b>Percent Of Total</b>	<b>Revenue</b>
Francis Howell School District	26,401,000	School District	4.0 %	\$ 111,764
Delmar Gardens Enterprises	24,229,300	Retirement Community	3.0	102,571
Progress West Health Care Center	17,321,000	Hospital	3.0	73,326
St. Charles Community College	15,597,500	College	2.0	66,029
Preserve @Research Assoc/Mallards Lndg Apts.	15,039,900	Residential Apartments	2.0	63,669
Nike IHM Inc	12,999,400	Sporting Goods Manufacturing	2.0	55,031
Sterling Heights	12,458,200	Residential Apartments	2.0	52,740
Gables at Breeze Park	12,413,700	Retirement Community	2.0	52,551
Wentzville R IV School District	9,958,000	School District	2.0	42,156
Citigroup	9,716,000	Corporate Office	2.0	41,131
Total	<u>156,134,000</u>		<u>24.0 %</u>	<u>\$ 660,968</u>

<b>2014</b>				
<b>Customer</b>	<b>Gallons</b>	<b>Type Of Business</b>	<b>Percent Of Total</b>	<b>Revenue</b>
Ashwood Investors LLC	22,622,000	Residential apartments	5.0 %	\$ 68,997
Citigroup	18,523,500	Corporate Office	4.0	56,497
St. Charles Community College	17,978,700	College	4.0	54,835
Delmar Gardens Enterprises	15,982,900	Retirement community	3.0	48,748
Banner Property Mgmt./Enclave Apartments	14,327,500	Residential apartments	3.0	43,699
Francis Howell School District	12,784,400	School district	3.0	38,992
The Preserve at Research Park	12,053,200	Residential apartments	2.0	36,762
Progress West Health Care Center	11,744,300	Hospital	2.0	35,820
Mid Rivers Investment Group LP	8,443,000	Shopping Center	2.0	25,751
Phillips 66 Car Wash	7,758,000	Car Wash	2.0	23,662
Total	<u>142,217,500</u>		<u>30.0 %</u>	<u>\$ 433,763</u>

**DUCKETT CREEK SANITARY DISTRICT**  
**RATIOS OF OUTSTANDING DEBT**  
**LAST TEN FISCAL YEARS**

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<u>Year</u>	<u>Long-Term Debt</u>	<u>Population Served</u>	<u>Per Capita</u>
2023	\$ 51,596,313	118,433	\$ 436
2022	56,018,544	116,824	480
2021	12,888,470	115,590	112
2020	15,825,417	114,548	138
2019	18,713,363	113,630	165
2018	21,552,309	112,153	192
2017	24,371,851	110,911	220
2016	27,166,853	109,736	248
2015	23,797,811	108,424	219
2014	25,144,243	107,039	235

**DUCKETT CREEK SANITARY DISTRICT**  
**DEBT SERVICE COVERAGE**  
**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Revenues (1)</u>	<u>Expenses (2)</u>	<u>Available For Debt Service</u>	<u>Debt Service</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
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
2015	13,402,027	6,881,635	6,520,392	2,717,000	910,546	3,627,546	180
2014	13,594,628	7,225,513	6,369,115	2,632,000	1,319,154	3,951,154	161

(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

FOR THE YEARS ENDED DECEMBER 31 - CURRENT YEAR AND NINE YEARS AGO

Employer	Type Of Business	2023		2014	
		Employees	Percentage Of Total Employment	Employees	Percentage Of Total Employment
Amazon	Distribution Logistics	5,041	2.3 %	N/A	N/A %
General Motors	Manufacturer	4,124	1.8	2,131	1.1
MasterCard Worldwide	Financial Services	3,450	1.5	2,000	1.0
Fort Zumwalt School District	School District	2,800	1.3	2,755	1.4
Wentzville School District	School District	2,594	1.2	1,787	0.9
Francis Howell School District	School District	2,330	1.0	2,375	1.2
CitiMortgage	Financial Services	1,858	0.8	4,900	3.0
SSM St. Joseph Health Center	Health Care Network	1,547	0.7	1,248	0.6
St. Charles County Government	Government	1,196	0.5	NA	NA
Progress West Healthcare Center	Health Care Network	1,123	0.5	NA	NA
CenturyLink	Communications	NA	NA	1,200	0.6
True Manufacturing Co., Inc.	Manufacturer	NA	NA	1,475	0.8
Verizon	Communications	NA	NA	1,400	0.7

Source: St. Louis Regional Chamber

**DUCKETT CREEK SANITARY DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN YEARS**

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>		<u>Labor Force</u>	<u>Housing Permits - Total Units</u>
			<u>County</u>	<u>State</u>		
2023	416,659	N/A	2.3 %	3.0 %	230,909	2,158
2022	413,798	\$ 64,563	1.8	2.7	229,812	2,358
2021	409,981	56,879	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
2015	385,590	45,662	3.8	4.6	218,084	2,208
2014	379,493	43,850	4.8	6.1	211,081	2,587

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 - [www.missourieconomy.org/economicindicators](http://www.missourieconomy.org/economicindicators)

N/A - Information not available at time of publishing

**DUCKETT CREEK SANITARY DISTRICT**  
**OPERATING AND CAPITAL INDICATORS**  
**LAST TEN YEARS**

Indicators	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Miles of sanitary sewer	713	705	688	683	672	670	662	656	652	650
Number of service connections	49,652	48,700	48,450	47,647	46,641	46,521	45,953	45,627	45,266	44,995
Number of lift stations	47	50	50	50	50	50	50	50	50	43
Number of treatment plants	6	6	6	6	6	6	6	6	6	6
Daily average treatment (gallons):										
Plant #1	4.2 MGD	4.4 MGD	4.6 MGD	4.7 MGD	5.4 MGD	4.2 MGD	4.4 MGD	4.6 MGD	6.5 MGD	4.5 MGD
Plant #2	4.6 MGD	4.7 MGD	4.7 MGD	4.7 MGD	4.9 MGD	4.5 MGD	4.4 MGD	4.5 MGD	4.8 MGD	4.5 MGD
Augusta Shores Plant	9,522 GPD	9,628 GPD	16,515 GPD	16,220 GPD	13,967 GPD	15,042 GPD	15,503 GPD	15,609 GPD	15,875 GPD	15,740 GPD
Steven A. Rogers MBR Plant	9,409 GPD	11,299 GPD	9,421 GPD	7,468 GPD	9,628 GPD	9,828 GPD	8,065 GPD	8,219 GPD	8,016 GPD	8,463 GPD
Wyndgate MBR Plant	200,930 GPD	201,430 GPD	190,778 GPD	184,582 GPD	161,230 GPD	138,635 GPD	121,751 GPD	110,952 GPD	94,776 GPD	74,904 GPD
Riverdale MBR Plant	89,053 GPD	80,108 GPD	68,217 GPD	57,951 GPD	47,584 GPD	37,177 GPD	25,915 GPD	20,024 GPD	35,187 GPD	17,629 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
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



**DUCKETT CREEK SANITARY DISTRICT**  
**NUMBER OF EMPLOYEES BY IDENTIFIABLE ACTIVITY**  
**LAST TEN YEARS**

<u>Year</u>	<u>Maintenance And Operations</u>	<u>Inspection</u>	<u>General And Administration</u>	<u>Engineering</u>	<u>Total</u>
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
2015	27.0	4	10	3.0	44
2014	26.0	4	10	3.0	43

Source: District's records